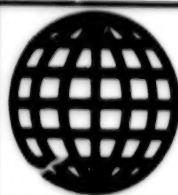


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10 JULY 1989



**FOREIGN
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JPRS Report

Near East & South Asia

Near East & South Asia

JPRS-NEA-89-045

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PALESTINIAN AFFAIRS

Positive Egyptian Role, Disputes Over Charter Discussed

44040453A Nicosia FILASTIN AL-THAWRAH
in Arabic 14 May 89 pp 14-15

[Article by A. 'Abd-al-Haqq: "Amending Charter With Provisional Constitution; Why Did Palestinian President Propose Arab Delegation Headed by Egypt"]

[Excerpts] It seems that the word "obsolete" [caduc] is nothing more than the Palestinian bait. The Palestinian trap for Israel is President Yasir 'Arafat's proposal of a joint Arab delegation headed by Egypt to [take part in] the proposed international conference. In this case, Camp David will become "obsolete" whereas Shamir's plan seeks to revive Camp David.

Israeli political commentators acknowledge that in the statements he made during his visit to the French capital from 2-3 May 1989, Palestinian President Yasir 'Arafat succeeded in dealing "Israeli diplomacy another severe blow which has again put this diplomacy in a defensive position," according to a news analysis by REUTERS. The analysis adds: "In fact, (President Yasir) 'Arafat's announcement in Paris was no more than the 'underlining' of a practical reality which materialized 6 months ago in the PNC [Palestine National Council]'s 19th session and in the 'independence proclamation' specifically." [passage omitted]

In this regard, the Palestinian leader proposed in Paris that a joint Arab delegation to the international conference be formed under the chairmanship of Egypt. This proposal accomplishes two objectives:

It shows Palestinian flexibility on the issue of holding the conference by proposing a party that is accepted internationally, i.e. by the five capitals that are permanent UN Security Council members, and it embarrasses Israel which has demanded an active role by Cairo in the peace process. This is what Washington wants, as demonstrated during President Husni Mubarak's recent visit to Washington. Moreover, Cairo has joint working and coordination relations with Paris on the Arab-Zionist conflict. Cairo's relations with Moscow have been improving steadily, especially since Soviet Foreign Minister Shevardnadze's recent visit to Cairo where he met with Israeli Foreign Minister Moshe Arens and the Palestinian leader as a proof of Egypt's important and vital role in the area's peace process. What is more important is that the proposal solves the Palestinian representation issue which Washington has put as an obstacle on the path to holding the international conference. Therefore, the issue becomes a purely internal Arab issue.

The proposal facilitates holding the special Arab summit and contributor to enabling it to succeed in achieving effective and influential results. Egypt's return to the

Arab League, where Syria has not shown opposition to the Arab consensus on this issue while expressing reservation on the issue itself, necessarily means that this return has to be influential and that upon its return, Cairo should shoulder its pan-Arab responsibilities and its duties that emanate from its official return to the Arab ranks. This proposal offers an immediate touchstone and it responds to the wish of certain Arab parties, especially Syria, which favor forming a joint Arab delegation to the international conference on the basis of principles of which this is not the place to discuss.

Above everything else, Egypt is the only Arab frontline state with interest in the international conference that is not disputing the PLO's sole representation of the Palestinian people and that is not seeking to gain the Palestinian card in order to strengthen its negotiating position.

Despite these gains, brother Abu 'Ammar's visit to France and his statements there have aroused an internal Palestinian controversy, especially over the rumored statements about the charter being "abolished," keeping in mind that Abu 'Ammar used a French legal term which, translated into Arabic, means "obsolete." This controversy is the result of [some people] being swayed by media and press analyses that have seen in the visit professionally interesting aspects.

It is truly regrettable that the enemies are more accurate in dealing with Palestinian political positions concerning purely internal structures and organizational issues than, for example, Khalid al-Fahum, our ex-PNC chairman. Al-Fahum and others in Damascus who shed tears for the "national charter" have not only lacked the minimum degree of customary objectivity but have also put themselves in the position of those who are ignorant of the mechanism of action of the highest Palestinian legislative body—a body which al-Fahum headed for several years.

What we know is that none of the PLO factions, or even the factions that do not belong to the PLO, has adhered to the word of the charter's provisions, especially the words saying that armed struggle is the only means for liberating Palestine. Those who do not suffer from a porous memory are well aware of and remember the past positions of some factions on the charter. These factions considered the charter backward, unable to meet the Palestinian national requirements, and tailored in parts to reflect a Palestinian response to the positions of certain Arab regimes, and so forth.

Let those weeping for the "national charter" hold back their tears because amendment of the charter will, at least, be imposed by the developments of our national struggle, particularly when we sit to discuss a formula to determine the role of the PLO and of the newborn Palestinian government. In this case, we will be faced with one of two fundamental possibilities:

Let the PLO preserve its present structure and take part in forming a government with national figures from inside and outside the homeland. In this case, we will need to amend the "charter" so that it may respond to the new given facts in regulating the relationship between the government and the PLO—regardless of whether the PLO preserves its form as a national liberation movement or a national front comprised of a number of parties—in accordance with the proclamation of independence which calls for the free formation of parties in compliance with the state constitution which will be different from the charter.

The other possibility is to merge the PLO with the government and, thus, the constitution of our newborn state will replace the charter.

Popular Committees' Role In Intifadah Described
44040453B Nicosia FILASTIN AL-THAWRAH
in Arabic 28 May 89 p 14

[Report by GHURBAH PRESS ESTABLISHMENT:
"Intifadah: Collective Work on Land and Equal Distribution of Production; Dynamic Nature of Popular Committees"]

[Text] Nablus—This condensed article is of dual importance. It is, first, inspired by the actual experiment and by the formulations of those in charge of the experiment. It emanates, secondly, from the importance of the popular committees in establishing the structures and institutions of tomorrow's Palestine.

With the start of the popular intifadah [uprising] in the occupied territories, the UNL [Unified National Leadership] presented in its appeals the task of severing all ties and relations with the occupation authorities and their civil administration so as to deprive the occupation of the legitimacy of its presence and in order to form the frameworks of the future independent Palestinian entity and to stem the flow of Arab money to the occupation's treasury in the form of taxes, customs fees, monetary fines and so forth.

To implement these tasks, an alternative has to be created to manage the living affairs of the occupied territories' citizens, in addition to the struggle tasks during the historic intifadah being undergone by the Palestinian people. Hence the idea of popular committees as a framework to take charge of the citizens' affairs until the occupation is defeated and a national government is established on the Palestinian soil. The popular committees phenomenon has spread rapidly by virtue of the citizens' response to the committees and their wish to sever their relations with the occupation and its agencies and to underline their right to freedom and independence. The committees have entered every town, village, camp, quarter and section.

How they are formed: The popular committees' first nucleus is the quarter where the inhabitants or their representatives meet and elect 5-6 individuals. From among these, one individual is appointed to the general popular committee of the town concerned. The process is repeated up to the highest popular committee in all the occupied territories.

Popular committees' tasks: After the UNL appealed to the Arabs working in the police corps to resign, a security void developed and the first task of the popular committees materialized, namely: Form guard committees to protect the citizens' property from any transgressions. Each home participates in this. The committees have demonstrated their effectiveness, as evidenced by the drop in the transgression incidents during the periods in which the committees have operated. However, their successes have ebbed and flowed, depending on the course of the intifadah which is exposed to temporary setbacks at times. These committees' activities differ from area to area. If we take the town of Bayt Sahur as an example, we find that the guard committees are operating as usual. It has been noticed that there has been a big drop in thefts which have nearly disappeared, whereas attacks on property occur in areas where no such committees exist, as in the Ramallah area.

Agricultural task: This task consists of several forms. The first form is to have every home that owns a plot of land surrounding it cultivate this land with vegetables and fruits. The popular committee is prepared to provide all the assistance needed for the purpose, including seedlings, agricultural tools and fertilizer. The purpose behind this task is to achieve self-sufficiency, to reduce every family's expenditures, to dispense with the markets and their fluctuations and to break the subservient bond to the Israeli market. The second form of agricultural action is to exploit common land for all members of a popular quarter where these members take part in tilling and cultivating the land collectively. A general strike day determined by the intifadah's UNL is devoted to this purpose. On such a day, all proceed to work the land. The production is divided equally among all the quarter's inhabitants. This experiment has proven successful. As a consequence, the prices of a large number of fruit and vegetable varieties have dropped because of their abundance in the markets. Modern agricultural methods and the assistance of agricultural experts have been used in this process.

Animal husbandry: Its objective is to help achieve family self-sufficiency. This activity is divided into three parts:

First, have the family concerned raise its own poultry, cattle and sheep if the material resources and the proper place are available.

Second, set up a joint cooperative from which all the members of a popular quarter benefit. The inhabitants contribute equally to the cost of setting up the farm and divide the production equally.

Third, a number of individuals agree to set up a cooperative farm if the first and second kinds are impossible to set up. The popular committee of the quarter concerned is responsible for guiding and supervising such a farm's work and for distributing its production.

Health: With the possibilities of attack by the occupation troops and by the settlers and of subsequent injuries, the popular committees have undertaken the task of conducting health education and first aid courses under the supervision of specialized doctors and nurses. Numerous young men and women have been trained in the principles of first aid. In one town, the popular committees conducted a general blood test to determine each citizen's blood type and recorded each citizen's blood type on a special individual card so that blood may be donated quickly in case it is needed. This is in addition to the cleanliness campaigns which the popular committees organize in the quarters with the purpose of protecting public health from the spread of epidemics and diseases. The popular committees also put trash boxes on sidewalks to preserve the beauty of streets.

Popular education: With the stultification policy practiced by the occupation authorities against the Palestinian students through the constant closure of the educational institutions in the land since the outset of the intifadah, thus denying tens of thousands of students the right to education, this task is one of the most serious tasks confronting the popular committees. This is why the intifadah's UNL has included this issue in its appeals and has called for establishing a Palestinian national popular education. This process has been embodied in the creation of popular schools in the quarters where classes for the various educational stages have been formed. Teachers provide instruction in these schools, using a Palestinian curriculum liberated from the civil administration's education officer. In these classes, the students receive instruction linked totally to the historic phase being undergone by the Palestinian people, namely the phase of the glorious intifadah. There has been a high level of interest in these schools as a result of the awareness of the students and of their families of the need to confront the Zionist stultification policy. The popular committees have provided full support to these schools to enable them to continue carrying out their mission. In addition to the above, the purpose of setting up the popular schools is to form a national educational framework in preparation for creating the other institutions pertaining to the independent Palestinian state.

These are the popular committees' tasks. Because of the serious nature of the tasks the committees are performing, the occupation forces have fought them very severely, have outlawed them, and have arrested large numbers of their members to paralyze their activity and to weaken their struggle capability. These forces have, for example, also threatened the institutions and the citizens who offer their residences to be used as popular education schools. They have also shut down numerous agricultural nurseries which offer seedlings to the citizens at symbolic prices. The

occupation forces have also sent their thugs to engage in thefts and to burn the citizens' properties in an attempt to foil the guard committees' experiment. Moreover, they have launched an economic war of starvation by raising the prices of consumer goods, by banning the remittance of money from abroad to the citizens and by confiscating numerous agricultural properties, and so forth.

Despite all this, the popular committees' experiment has achieved numerous accomplishments. If they continue at an ever-accelerating pace, these committees are certain to achieve other accomplishments on the path of comprehensive civil disobedience in which every relationship with the occupation is severed, thus depriving the occupation of its *raison d'être*.

Thus, the people's revolutionary authority will become an existing reality which will be crowned with the rise of the independent Palestinian state on the actual land itself.

BAHRAIN

Pact To Promote GCC Ties With EC Endorsed
44000539b Manama GULF DAILY NEWS
in English 18 Apr 89 p 5

[Text] Bahrain has endorsed a pact which will strengthen ties between the GCC and the European Community (EC).

His Highness the Amir, Shaykh 'Isa Ibn-Salman Al Khalifah, has passed a decree, approving the agreement signed between the two economic groupings in Luxembourg last June, according to the OFFICIAL GAZETTE.

The agreement was ratified by the GCC [Gulf Corporation Council] leaders at their summit meeting in Bahrain last December.

Included in the agreement are plans to exchange information and develop links in energy, industry, trade, services, agriculture, fisheries, investment, science, technology and the environment.

In a separate move, His Excellency the Prime Minister Shaykh Khalifa 'Ibn-Salman Al Khalifah, has approved moves to protect industries of national origin.

It follows a resolution passed at the last GCC summit meeting to safeguard regional industry.

A Protection Committee has been set up to safeguard GCC industrial products against unfair foreign competition.

Ministerial Order for GCC Nationals Health Cover

44000539a Manama GULF DAILY NEWS
in English 18 Apr 89 p 4

[Text] GCC [Gulf Corporation Council] nationals who fall ill in Bahrain will be entitled to the same medical treatment as Bahrainis.

A ministerial order signed by Health Minister Jawad al-'Arayid, said GCC nationals will have the same rights when seeking treatment at Government hospitals and health centres.

It follows a resolution passed at the GCC summit in Bahrain last December.

The ministerial order was published in the OFFICIAL GAZETTE.

Self-Sufficiency in Eggs, Chickens To Be Attained by 1990

44000547b Muscat TIMES OF OMAN in English
8 Jun 89 p 19

[Text] A model poultry farm has been planned on 4,000 square metres in the southern region at a cost of about BD3 million, according to a recent report.

A spokesman for the Delmon Poultry Company said the Ministry of Commerce and Agriculture, in conjunction with the Food and Agriculture Organisation, had undertaken a feasibility study on the project. The study had sought the assistance of experts and surveyed local and regional market requirements for eggs and chickens.

The Bahrain government hopes the island will be self-sufficient in eggs and chickens by 1990. Development of the island's poultry industry has been highly successful with local production now meeting about 80 per cent of the demand for eggs and about half the island's needs in table birds.

A government-run poultry company has 70,000 hens laying up to 20 million eggs a year, satisfying some 40 per cent of the local demand, while 35 mainly private owned units provide a further 7.5 million eggs and 1.25 million table birds.

Corn Oil Plant Expansion Planned

44000547a Muscat TIMES OF OMAN
in English 8 Jun 89 p 27

[Text] Savola Bahrain announced that they had signed a turnkey agreement with De Smet of Belgium to build their new edible oil factory in the North Sitrah industrial area.

Capacity has been increased to 60,000 m. tons from the earlier estimate of 40,000 tons with the full approval of the Ministry of Development and Industry. This reflects

Savola's confidence in future market prospects for its well-known brands Aeia, Al-Arabia, Nakhil, Al-Tahi. These will be produced in Bahrain on a large site near the GARMCO Complex and distributed throughout the Gulf region.

Production will begin before the end of 1990 and the initial work force of 150 will grow to 200 as output expands.

Expansion of ALBA Approved

44000534 Dubayy THE KHALEEJ TIMES
in English 21 May 89 p 15

[Text] Bahrain—Bahrain has given the go-ahead for a billion-dollar expansion of its aluminum smelter to double capacity to 400,000 tonnes a year, industry sources said yesterday.

They said the government, which owns 57.9 percent of Aluminum Bahrain Bsc (ALBA), had appointed US firm Bechtel Corp as management consultants for the four-year project.

The expansion, which is in addition to a current \$130 million modernization programme designed to boost capacity to 205,000 tonnes a year from the current 170,000 tonnes, would make ALBA the largest aluminum smelter in the region.

French firm Aluminum Pechiney would provide the technology for two new pot rooms at the smelter with a current capacity of 180,000 tonnes a year, the sources said. A new power station would also be built.

Details for financing the project—estimated to cost at least a billion dollars—were still being worked out but plans included a combination of export credit, equity and commercial loans, the sources said.

A design contract was being negotiated with Bechtel and work would begin as soon as it was signed, they added.

The only other aluminum smelter in the Gulf, Dubai Aluminum, has a capacity of around 170,000 tonnes a year.

But investors in the region are planning a series of projects that promise to make the Gulf a major international power in aluminum, using cheap energy and abundant capital.

In Saudi Arabia, investors led by Jeddah-based Xenel Industries Ltd are planning a 240,000-tonne smelter for the industrial city of Yanbu.

Qatar also intends to build a plant which could take advantage of the North Field natural gas deposits as they are developed over the next few years.

IRAQ

Construction of Euphrates River Dam Completed

44000545 Baghdad BAGHDAD OBSERVER
in English 16 May 89 p 2

[Article by Yu'arsh K. Nissan]

[Text] Baghdad, May 15. A new 75-million-dinar dam was recently inaugurated in the central province of Babylon to replace the 75-year-old al-Hindiyyah dam.

The dam was opened by Acting Minister of Agriculture and Irrigation, Mr 'Abdallah Badr Danuk to mark President Saddam Husayn's birthday (April 28).

The new dam, which has the capacity to release 2,500 cubic metres per second, comprises six gates all run by electrical power.

The dam is designed to make the optimum use of the water of the river Euphrates. It will also be used for sailing and generating hydroelectricity.

The new project will feed the two small rivers of al-Hillah and the canals of al-Kifi, al-Husayniyah and Bani Hasan through which two million donums (one donum—2,500 square metres) will be irrigated.

The six gates of the dam—16 metres wide each—are designed to drain 2,500 cubic metres of water per second. It has a passage for sailing of 20 metres wide and 150 metres long and the other passage is for raising fish.

There is a hydroelectric station attached to the dam comprising four generating units with a capacity of 3.75 mega watt each.

Also attached to the dam is al-Husayniyah canal with three gates, six metres wide each. The gates have a maximum drainage capacity of 55 cubic metres per second.

There is also Bani Husayn canal with two gates, six metres wide each, and a total drainage capacity of 45 cubic metres per second.

On the left side of the dam, there are the al-Kifi gate with a capacity of 30 cubic metres per second, and al-Hillah gate, a special area for fish and a sailing passage.

The dam provides other facilities. A 1,500-metre-long two-way railway bridge and another one for vehicles were built. The latter was constructed across the river of al-Hillah, al-Kifi canal and the sailing passage to link the roads between the towns of al-Musayyib and al-Hindiyyah village.

Two bridges, one linking the two sides of the dam and the other for pedestrians were also built.

Mr Danuk said that some 25 Iraqi engineers with a variety of specialisations supervised the construction works of the new dam while general supervision was carried out by the Consultancy Engineering Bureau at the College of Engineering, Baghdad University.

Ministry Completes Al-Basrah Telephone Network

44000543 Baghdad BAGHDAD OBSERVER
in English 24 May 89 p 2

[Text] Al-Basrah, May 23—The nation-wide drive to reconstruct the southern port city of al-Basrah, battered during the eight-year-old Gulf war, took a further step over the last week with the completion by the Ministry of Transport and Communications of the new telephone network in the city.

The drive to reconstruct and give the city a facelift started on February 12 upon the directives of President Saddam Hussayn. With the new network, more families will be on the phone now and congestions will no longer appear.

The improvement of telephone services is shown in the installation of three modern exchanges which was carried out in a two-month period with a total capacity of 20,438 lines.

Mr 'Abd-al-Amir al-Shamari, the engineer in charge of the campaign to improve telephone services, said "this figure represents 85 percent of the total number of telephone lines to be installed."

He added that overhead telephone wires in the city were replaced by new telephone networks.

He said that new 1,183 telephone posts were fixed and 97 cabins, each of 200-300 lines, were replaced by new ones.

"This is a major achievement for the moment and we are planning to make more expansions in the near future," said Mr al-Shamari as he was busy supervising a plan to repair 227 damaged main cables, each of 300-1,200 telephone lines. His staff have already completed repairs on 358 minor cables each of 10-200 lines.

The major achievement for local people is perhaps the improvement of telephone services between al-Basrah and Baghdad and other provinces. This has been made possible by the installation of a microwave network in Zubayr district, which acts as a relay center.

For several years people of the city were quite familiar with telephone congestions when they dialled numbers in Baghdad and other provinces. The situation became worse when the telephone exchanges of Ashar, Andalus and Bad al-Zubayr were damaged by Iranian artillery shelling.

Mr al-Shamari said, "now it takes you only seconds to get a number in Baghdad and other provinces from al-Basrah without any hitches".

He also spoke of new plans to increase telephone lines to meet orders submitted by people. He said that some 2,000 telephone lines will be shortly available in the areas of al-Mishraq and al-Zubayr and in the vicinity of al-Basrah TV buildings. So far, he added, 75 percent of the work on this expansion project has been completed.

Local correspondents who toured the city last week said that there are several maintenance teams which inspect telephone cabins and exchanges around the clock to secure smooth operation.

ISRAEL

Absorption Minister and SHAS Leader Peretz Profiled

44230131 Tel Aviv MA'ARIV Weekend Supplement in Hebrew 2 Jun 89 p 5

[Editorial Report] MA'ARIV Weekend Supplement profiles SHAS (Torah Observing Sephardim) leader and Minister of Absorption Yitzhaq Peretz. Peretz comments openly about the less than ideal nature of his job at the Ministry of Absorption. He notes that it is not, and never has been a politically attractive job.

Peretz denies the validity of rumors that his zeal in keeping religious laws, studying the Talmud, and protecting SHAS's interests leads him to neglect his responsibilities as minister. He explains that party business and religious study are undertaken on his personal time and in no way interfere with his ministerial responsibilities. He explains that he is in his office every work day, and questions the motivations of his accusers.

Peretz comments that he is well aware of the religious-secular distinction in Israeli society and notes that even in his own office his spokeswoman is secular. He explains that this does not affect their personal or professional relationship. Regarding his spokeswoman Peretz comments that he cannot fault her for her secular orientation for "she did not choose to be secular, but it is her reality."

The minister explains that his career in government and involvement in secular matters has personal, spiritual costs and also detracts from his family life. Peretz says that in consultations with fellow religious leaders such as Rabbi 'Ovadya Yosef, he is told that "now is not the time for return to religious study." On his career and his position, Peretz comments: "I never pursued this life, or even leadership in the religious world, it just happened, it came to me. I believe that a man must give to Israel, as a state, all that he can. I will go where they think I should, be it the Rabbinate, the Knesset or the government; but I do it willingly, I will never be dragged." The author

explains that Peretz comfortably meets the demands of his ministerial duties in the context of his religious lifestyle. He discusses movies and new cars while freely quoting from the bible.

Minister Peretz openly admits that he finds his duties at the Absorption Ministry frustrating: "it is more frustrating than the Interior Ministry, but I can not go around being frustrated. If necessary I am ready to go to America to start a special absorption drive. Give me a mandate, I do not want to do this without authorization from the prime minister and the finance minister. I am ready. I have people to help me and I am ready."

Shomron's Statement on Army's Role in Intifadah Analyzed

44230130 Tel Aviv HA'ARETZ in Hebrew 1 Jun 89 p 2

[Editorial Report] HA'ARETZ in Hebrew on 1 June 89 published an article describing IDF (Israel Defense Forces) Chief of Staff Dan Shomron's attempts to distance the army from the political controversy surrounding the handling of the Intifadah (uprising). The article reports on an interview on Israeli television in which Shomron explained that despite his widely publicized comments of a year and a half ago, there is a military solution to the Intifadah. Israel, he explains, must continue with the strategy it has used successfully against the Palestinians for 100 years. The Israelis must continue to exploit their advantages in strength, cunning and patience. Ultimately, Shomron comments, patience will prevail. The army's only responsibility, in the general's view, is to hold down the level of violence connected with the Intifadah. In an atmosphere of relative non-violence or controlled violence, a diplomatic solution may then be forged. The article comments that Shomron's attempt to throw the ball into the politicians' court will only work if the level of violence is in fact reduced. If violence escalates, such statements as those made by Shomron will merely act as a boomerang, returning focus back onto the army and its leadership.

Officers Respond to Charges of IDF Decline

44230128 [Editorial Report] Tel Aviv HA'ARETZ in Hebrew on 29 May 1989, page 25, published the reply of several army officers to charges of serious decline in the IDF (Israel Defense Forces). The charges were made in an earlier HA'ARETZ interview with history Prof Martin Van Karfeldin in which he links IDF activity to quell the Intifadah with decline in IDF morale and discipline. He argues that "an army which faces a weak opponent with itself become weak."

The broad consensus of the high level officers interviewed was that Van Karfeld's remarks reflect a lack of firsthand exposure to the IDF, particularly its activity in the occupied territories. The officers further argued that a lack of intimate knowledge of the army greatly reduces the validity and significance of Van Karfeld's remarks.

The officers admitted that there is clearly a negative impact of the intifadah on the military. There has been some incremental reduction in enthusiasm and confidence connected with service in the territories. Furthermore, there is no denying that there have been economic costs to the defense establishment. However, the officers agreed that Van Karfeld is mistaken to connect difficulties caused by containing the intifadah with a weakening of the IDF's capacity to defend Israel from external security threats. They argued that the intifadah has had no impact on the army's ability to fight a war against a conventional external military force.

One officer made the point that Van Karfeld's remarks are impressionistic and "not at all based on empirical evidence." He explained that some of the soldiers who have served in the territories "fighting against children" have subsequently been placed into service against terrorist squads attempting to infiltrate Israel's borders. These soldiers have displayed high levels of motivation and confidence in successfully carrying out these missions.

If the "professor" were to place himself in the company of the IDF, remarked one general, and see the nature of service in the territories firsthand, his attitudes and opinions might change. It is impossible to understand the nature of what soldiers are up against without first handknowledge. It is similarly difficult to understand the attitudes of Israeli soldiers based only on exposure to second and thirdhand reports.

Some of the officers' strongest reactions came in response to Van Karfeld's comment that reserve soldiers who have refused to serve in the territories represent the elite of the IDF. One general commented that the elite are found among those soldiers who serve in the territories despite the disagreeable nature of such service. Those refusing service are nothing more than traitors, he added. The general admitted that the intifadah is unpleasant, but uncontrolled it would represent a genuine threat to Israel's security. This is the perception of the democratically elected officials of the Israeli Government, he continued, and no individual soldier has the moral or political right to pass judgment on such decisions.

One officer made the point that the Americans and the French have already gone through the process of building down their armed forces after unpleasant military experiences similar to Israel's in the territories. Following the reduction, they simply had to rebuild upon realizing the wrongness of such a decision. Israel must not make the same mistake. Israel must not, he continued, overreact to this unpleasant situation and draw unwarranted strategic conclusions.

Finally, while the generals disagreed emphatically with many of Van Karfeld's comments, they admitted that they provided ample food for thought and opportunity for dialogue.

Kahane Interviewed on Sicarite Movement

44230091 Tel Aviv YEDI'OT AHARONOT
in Hebrew 21 Apr 89 p 3

[Article by Ronit Vardi]

[Text] It happened a few years ago. One building in Mahane Yehuda in Jerusalem was declared cursed by a Kabbalistic rabbi. Since then, Rabbi Kahane told me, no one went there. The real estate was low and the offices rented for a song. "And that," Rabbi Kahane added, "was my good fortune. We established the KAKH [Meir Kahane Party] offices in that building." It is from there that the party is run, the Yeshiva managed, the affairs of the State of Judaea organized, and so forth.

That is also where the Sicarites were recently discussed. The discussion was informal. One man leaned on the table, another against the wall, and a third went in and out of the room. Someone suggested marketing a T-shirt with the picture of a gas pump and the logo: "Good Job, Sicarites." Another suggestion was to establish a small fund for gasoline money for arson, but they have to bring receipts if they want money. Uproarious laughter.

The person who is telling me about that discussion is also laughing. It is a young man, wearing a yarmulke on his dark curly hair. He carries the title Rabbi and he works for the Ministry of Education. We will not give his name per his request, so as not to endanger his job.

The subject of the Sicarites was brought up as soon as I began the interview. I had never made the connection between Kahane's movement and the Sicarites, not until my visit to the KAKH offices in Jerusalem. Many of the activists who were interviewed for this article went to great length to draw a parallel between them, as well as with LEHI [Fighters for the Freedom of Israel].

The main question was what had befallen Kahane and KAKH since the ban. The answers ranged from the Sicarites to LEHI. In the office, by the way, one finds press clippings and other literature about the two organizations mixed together.

And that is what happened with Kahane's people. Whoever attacked their legitimacy exposed himself to their arrows. And the arrows were sharpened in the offices in the cursed building in Jerusalem. However, what emerges from the building nowadays is only a faint preamble to what is still to come.

[Barukh Marzel] "I know of many people who have given up on Israeli democracy. I don't know what they do."

The following questions were addressed to the rabbi working for the Education Ministry.

[YEDI'OT] Was the use of the term Sicarites popular among KAKH before the elections, too?

[Rabbi] "Yes, but not as much as since then. After the elections one of our activists asked me for the article by Aba Ahime'ir."

[YEDI'OT] Who is that?

[Rabbi] "Just a moment...." He put his hands to his face as in amazement, covered his eyes, muttered a few exclamations of surprise, and laughed.

[YEDI'OT] But what do you have against Mina Tzemah?

[Rabbi] "Disinformation."

[YEDI'OT] Tzemah's research institute is owned by a LEHI member.

[Rabbi] "All sorts of people came out of LEHI, including leftists."

[YEDI'OT] Yes, but today Jurabin is close to Prime Minister Shamir.

[Rabbi] "Shamir? His front door should be set on fire, too. He condemned the Sicarites, didn't he? When it comes to saving a life, when a Jewish life depends on a certain individual, one must sometimes take drastic steps. One first gives a warning that the door is about to be set on fire, and if that does not help, then destruction is in order."

[YEDI'OT] Rabbi Kahane, too, condemned the Sicarites.

[Rabbi] "Yes? Where?"

[YEDI'OT] I heard him.

[Rabbi] "Are you sure?"

A few minutes after it was announced that the Supreme Court had banned KAKH, Rabbi Kahane called a press conference. As he was making his statements to the journalists, one of his people suddenly burst into the room, tore up his identity card, and snatched a submachine gun. That was already dangerous. The man was thrown to the floor and dragged outside. He tried to get up; he was foaming at the mouth. But he was pushed to the ground and was later taken to the hospital.

Since then KAKH went through the expected crises. As the elections were approaching, an idea took shape. The prevailing suggestion was to burn down voting booths. Then it was said that arsonists should go to the voting centers, go into booths with the envelopes, and lay the fire. Within minutes the whole thing would be in flames. Hundreds of such bonfires could be organized throughout the country, the arsonists could get away, and the elections would be disrupted.

Kahane killed the idea. He sent a special envoy to a small settlement in the north. There, several members met in a private home and discussed steps to organize an underground. Without saying so in so many words, the envoy made it clear that the rabbi was against it. Patience, patience, patience. That was Rabbi Kahane's message then, and at the interview.

"What am I, stupid, to fall into the trap?" Kahane later said. "If I thought that we needed an underground I would have said, friends, let's go to it. But because there is no such need for the time being, it would be suicide. Every fourth person in this country is an informer. This is a small country. Every wall has ears, in every ashtray there is a bug. I am not stupid. Moreover, I know that the future is mine. The people already believe that the Alignment are scoundrels, and soon they will come to the conclusion that Shamir is an abomination. Only Kahane will be left. By then they are bound to be in despair. David's heir cannot come until there is despair."

[YEDI'OT] And you are David's heir?

[Kahane] "God forbid, I am a Kohen. There is no doubt that we are living in Messianic times."

[YEDI'OT] Is General Security after you?

[Kahane] "Not at all. Not so far, because they think that I am finished. I am still not aware of them. They will no doubt come after me. The best thing they could do for me is to put me in jail."

[YEDI'OT] What do you think about the Sicarites?

[Kahane] "They are stupid. It's all nonsense. What practical gain is there in setting fire to the front door of Mina Tzemah or Dan Margalit? Who are they, anyway? What are they? Childish. If someone wants to do something, we have enemies here, there are the Arabs. And even then, only if there is something to be gained by it. What does one get out of setting fire to Tabory's door?"

[YEDI'OT] I heard some of your young activists come out in support of the Sicarites.

[Kahane] "That is the difference between adults and children. After all, no one could suspect me of being moderate. God forbid."

[YEDI'OT] They claimed that on some matters they do not specifically consult you so as not to implicate you.

[Kahane] "If there is some child you want to discuss, go ahead."

[YEDI'OT] Do you think that you will be in jail in the coming year? You once told me that you served time for false testimony.

[Kahane] "No. But I am not afraid."

This moderation led to the deletion of strident passages from earlier incitement material. By now it is difficult to find calls to the daughters of Israel about mixed marriages, and instead of disseminating leaflets urging the expulsion of the Arabs from the country, they now request only the expulsion of enemies. After the ban KAKH went through a quiet period. Many activists joined other parties. Some went to Tehiya ("Those who were looking for jobs," according to Barukh Marzel). Others turned to the Torah Observing Sephardim [SHAS]. KAHH still has close ties to all those people. Some members even joined Gandhi, and, to Kahane, Gandhi is like a red flag to a bull.

[YEDI'OT] How can you stop members from joining Gandhi?

[Marzel] "We don't do anything. He (Gandhi) is doing our work for us."

[YEDI'OT] How?

[Marzel] "He doesn't do anything, except from bringing out a beautiful newspaper. Our people are used to a far higher level of activity."

[Itziq Palhimer, 22] "I left because of the ban. There was no activity. Everyone was in shock. People cried. I said I was going to join Moledet, a new movement. I had high hopes. I began to organize young people in Jerusalem. But they turned down all our suggestions. They didn't let us do anything. No action, no real demonstration. Nothing. When all is said and done, what are they? A party of lawyers and gentlemen. Our immediate superior was a man in his mid-50's who had no idea what young people wanted. We didn't ask for funds, nor anything else, just action."

"They spent an unreal amount of money on some newspaper. Had that money come here, to KAKH youth, we could have turned the country upside down. But Moledet? Once we demonstrated in front of the prime minister, and got shouted at for it: 'What did you do, it will work against us.' Aside from the chairman and a few others, who is still in Moledet in Jerusalem?"

[YEDI'OT] What is the difference between KAKH and Moledet?

[Palhimer] "That KAKH acts on suggestions. There are demonstrations, raids."

[YEDI'OT] What is the difference between today's KAKH and KAKH before the elections?

[Palhimer] "Many members became disappointed with the state. Very many. They suppressed the feeling, but one day it exploded, and then they talked about all sorts of things. Not necessarily about legal actions. We are aware of the fact that whatever we do, we will always be hated."

Kahane invests a lot in the yeshiva he opened in Jerusalem. He recently purchased a building for it near Shmu'el Hanavi', which cost about \$40,000. The yeshiva was opened about 2 years ago, but its importance increased after the elections. The students are some 20 young men hand-picked by the Rabbi. Their faith is their philosophy.

[Kahane] "Oh, what deep satisfaction I get from them. That is where the real leaders will come from, the great rabbis, and the fighters. We have a special teaching method. The Torah gives the classical example of a great man among Israel, King David, for example. We have a quick method of teaching the SHAS (in contrast to Lithuanian yeshivot, for example), and we also have a special class for journalism. We dissect the writing and the writer, so that the Torah should not be just theory, but real life. We want to conquer the people and the state through this yeshiva."

[YEDI'OT] How do you select your students? What do you look for in them?

[Kahane] "I look for people who are totally and completely sane, who are intelligent, and who believe in the principles of the KAKH movement. I look for discipline, because it is not easy. You read the newspaper, and if you belong to KAKH, you want to take action. But as a yeshiva student you are told, sit down and study. You can only do one thing at a time."

[YEDI'OT] Have you already expelled anyone from the yeshiva because of activism?

[Kahane] "I do not expel. But yes, people left because they did not remain seated all day."

[YEDI'OT] What if it were found out that one of the students was an active member of the Sicarites?

[Kahane] "He would have to immediately leave the organization, otherwise he would be leaving the yeshiva. But immediately. There would be no place for him at the yeshiva. No place even if he did something for us, something positive. Here one learns to be a leader of the people of Israel. One has to put all one's time and energy into that."

[YEDI'OT] And they will be your elite unit, your commando?

[Kahane] "They will be the really great men in their generation, our elite, the best. They will be the heroes."

[YEDI'OT] And in a few years they will join the IDF [Israel Defense Forces], gain experience, and then become active?

[Kahane] "Half of them have already served in the IDF. All of them will serve."

Kahane's more pressing mission at the moment is to regain his American passport. That is a matter of vital importance for the continuation of his activities, because the United States is KAKH's financial front.

Kahane: "I now have a serious problem in Washington, because they pulled a clever trick on me here. They said that anyone running for Knesset in 1988 may not hold dual citizenship. I returned my passport and told them that I was being coerced."

But since he did not run for Knesset, Rabbi Kahane was left empty handed on both accounts. He now has a suit in court in Washington, with Nat Lowen as his attorney. The first round is due to conclude in a few weeks.

[YEDI'OT] What will happen if you cannot enter the United States?

[Kahane] "I will make a video cassette here of an inspiring speech and will send it for money. I will say, your contribution is your reaction to what they did to me. Send money."

Competition in Unmanned Aircraft Industry Intensifying

44230126 Tel Aviv HA'ARETZ in Hebrew
25 May 89 p 13

44230126 [Editorial Report] Tel Aviv HA'ARETZ in Hebrew, 25 May 89, p 13, reports that much of unmanned aircraft technology has been pioneered by the Israelis. Israel is making drone production, as well as other types of unmanned aircraft production a top priority for the future. As of 1 January 1989, the Israel Aerospace Industry (IAI) acquired 50 percent of the Tadiran Corporation. This segment of Tadiran's operations will be dedicated to the development and manufacture of unmanned weapons systems. Tadiran will serve as a contractor for the two companies presently involved in such operations.

The report states that IAI is directing its energies at remaining competitive with similar companies in Western Europe, the United States, Japan and the Soviet Union. It adds that competition is heating up in the context of the potentially lucrative American market. One year ago, the U.S. Congress appropriated \$2.3 billion for the future acquisition of drone aircraft. The standards set by Congress and the defense department are threefold: 1) the manufacturer must have a proven operational capability, 2) there must be future developmental capability, 3) the system's price must be compatible with the budget (approximately \$500 million to \$1 billion, over 3 years).

Israel has placed its Impact model drone into competition for American contracts. The Impact is notable for its night vision photographic capability. The Impact's manufacturers boast of its capabilities beyond the basic

functions of reconnaissance, observation and intelligence collection. The Impact can also carry a 100 kilogram payload, a quality with obvious military applications.

IAI is working hard to develop and expand the potential uses of drones. Executives explain the usefulness of drones in tasks as diverse as assisting in the war on drugs, border patrols and even in geological expeditions.

Robots Exported to Japan

44230087a Tel Aviv HADASHOT Weekend Supplement
in Hebrew 25 Apr 89 p 2

[Text] After 3 years of intensive attempts to penetrate the Japanese market, this year saw success thanks to Roboteq. Contacts were established with Yaskawa, a large robot-manufacturing company and one of the largest in Japan. The event also marks a small revolution in the approach to robot education in Japanese society. Until now, training took place directly on the plant premises. Yaskawa's industrial robot came to the purchaser's premises, and there people were taught by using the robot itself, "live," if that's the correct term to use in connection with robots. The Yaskawa director who visited the Eshed Roboteq exhibit was persuaded to adopt (at least on a trial basis) a completely different approach, namely, to teach customers how to use an industrial robot with a desk-size, Israeli-made training robot.

The robots of Eshed Roboteq are small, desk-top robots, as they say, not bigger than the average stuffed bear. One can sit at one's desk in an office and learn how to handle a huge industrial robot. There is no danger, for example, that such a huge robot, operated by a learner, would destroy three work sheds before someone who knows what they are about stops it. And it does not matter at all whether the robot user is an automotive plant, a footwear factory, or NASA [National Aeronautics and Space Administration], the U.S. space agency. The Eshed Roboteq system is general; all robots can be taught on it. And now, as we said before, the Israelis have managed to introduce this system to the Japanese market through Yaskawa, no less. From now on Yaskawa itself will market Eshed's training robots.

Water Management Problems Reportedly Worsening

44230089 Tel Aviv 'AL HAMISHMAR
in Hebrew 13 Apr 89 p 9

[Article by Ronit Morgenstern]

[Text] "The situation in Israel is different from that in India, where sewage flows into a river from which people drink afterwards. The water systems in Israel are closed. I would not describe the situation as that black, but also not as white. I would choose the color grey," said Yitzhak Zohar, the assistant chief engineer for public health, who is responsible for water in the Ministry of Health.

In contrast, Mordekhay Ya'qubovitz, the spokesman for the MAQOROT Company, which supplies approximately 75 percent of the water used in Israel, says, "The amount of water suitable for drinking is diminishing. This year we will pump more water from the Sea of Galilee in order not to worsen the ground-water situation. If immediate measures are not taken to correct the sewage situation, there will be more outbreaks of disease, we will have to seal more wells, and we will not be able to supply the amount of water required by the population.

"For example, in Shfar'am, in addition to an old water line there also is a drilled well, which had been outside the residential area, but is now in the center, among houses, due to considerable construction. The local sewage system is based on cess pools, so that the threat of contamination of the water was so great that we stopped supplying them water from that well. Consequently, they receive today less water than they require."

According to him, a survey conducted by MAQOROT shows that drinking-water installations in 150 places in Israel are in danger of contamination. The situation of 60 of these installations is critical. Incidentally, Yaqubovitz does not accept the findings announced yesterday on the evening news according to which fecal germs were found in the water of the national water carrier. He asserts, "There's no basis to that. They took a sample of water before filtration and chlorination, so that the sample was similar to one taken from nature, and there, too, you can find germs."

In July 1985, a dysentery epidemic affecting approximately 10,000 persons broke out in the Qaryot area. The apparent reason was the penetration of sewage water from a broken sewer pipe. The sewage water percolated down into the Afeq No. 2 well, but nobody paid attention until the first victims reached the emergency rooms. An investigatory commission was established, and it recommended, among other things, placing sewer lines farther from the water lines, giving a list of 50 drilled wells that were in danger of contamination. The commission also stated that the sewage flowing in open trenches and damaged sewer lines constituted a danger. The cesspits used mainly in the Arab sector are a long-term danger not only to those settlements, because the sewage water percolates downwards and reaches the aquifer, from which water is pumped to the entire population.

The Ministry of Health points an accusing finger at the local authorities, and the latter accuse the bureaucracy in the Ministry of the Interior. They argue at MAQOROT that they cover the entire country and have adequate manpower. "Let us organize the subject of sewage," they request. But at the Ministry of Health they say that it is clearly in the interest of MAQOROT that we line up behind their frightening announcements about the sewage situation in Israel.

Engineer Yitzhaq Zohar argues that after the dysentery report of 1985, the Ministry of Health asked Mekorot to install sensors in 50 wells to check the level of contamination. As of today, MAQOROT has installed sensors in only five wells, due to inadequate budget. Some of the wells have been closed, but not all of them.

Bacteriological water examinations are carried out five times a week in the large cities, and once every 4 weeks in small settlements. In 1987, an average of 3 percent of the samples were found to be unfit for drinking, which is similar to the percentage in the United States, according to Zohar. The samples in the large cities showed a count of 0.5 percent, but the problem was in the small settlements.

As it is known, water purification is carried out with chlorine. It was discovered in 1974 that when there is organic matter in the water (and there almost always is), the combination of part of the chlorine with the organic matter creates a carcinogenic substance called triethylomethane. Engineer Zohar says, "We knew about that, but our water ordinances were not up to date at that time. We brought them up to date only in 1988, and specified that chlorbioxide was to be added. MAQOROT began to add chlorbioxide 7 years ago." But there is a certain problem with chlorbioxide, as it is a very strong oxidation agent, and when it acts upon the organic matter a by-product is created - chloride - that is liable to endanger groups in the population that suffer a certain enzyme deficiency. Therefore its concentration must be below a certain level, which is unknown, as the requirement has not yet been established, and they are waiting for an international committee to decide. No one in Israel has yet been harmed by the substance. At a conference in 1988, experts stated that the excessive chlorination used in the northern settlements carries the risk of causing cancer, so that it is already unclear what is preferable - organically contaminated drinking water or carcinogenic water as a result of massive chlorination.

At MAQOROT they do not take seriously the experts's warnings or banner headlines in the press about the danger of a "cancer epidemic" seriously. According to Yakubovitz, there is no such danger, as MAQOROT closes contaminated wells.

Six ministries, 3 government corporations and all the local authorities are involved in water and sewage in Israel. Environmental experts regard the unification of the handling of sewage as a prerequisite for improving the situation. The Water Commissioner, Tzemah Yishi, called this week for the integration under one roof of all the factors dealing with the subject, including the National Sewage Project. According to him, due to the separation between the National Sewage Project, the Water Authority, and MAQOROT, there are purification installations in the vicinity of cities. The fragmentation creates lack of coordination and bureaucracy, and delays any possible progress in improving the sewage system in Israel. Meanwhile, the Ministry of Environmental Quality pins its hopes on a kind of central

coordination for the entire subject. But, as is known, the new ministry receives very little cooperation, and, in the meantime, the size of the budget of the small ministry determines a lot.

In the Ministry of Health they are not satisfied with the quality of MAQOROT's drinking water. Zohar of the Ministry of Health, which is the ministry responsible for the quality of drinking water in Israel argues, "There is a certain concentration of organic material and a certain turbidity." The Ministry demanded that MAQOROT set up next a central filtration facility for all the water in the National Water Carrier to the Sea of Galilee. The Water Commissioner's office told them that this would cost \$60 million. They are now toiling in MAQOROT on a plan to broaden the use of ground water and to establish local filtration facilities where it is impossible to draw ground water. This will reduce the use of agents to disinfect and improve the water.

Meanwhile, there is no need to boil water - the drinking water is potable, says MAQOROT's spokesman. In the Ministry of Health they also believe that there is no danger whatsoever from tap water. But the responsible factors, who cannot control the increasing contamination that also is overwhelming the supposedly closed water systems, admit that there will be more outbreaks of diseases, such as dysentery. The problem is worse in the northwestern settlements.

In the last 4 years, there were 2 outbreaks of dysentery in Israel, in between there was also an outbreak of polio, a potential malaria epidemic began recently, and who knows how much hepatitis, diarrhea, mosquitos, stench, or some contamination is hiding in the bushes. And that's the way we look in Israel at the end of the 20th century.

Students in Ari'el Comment on Arab 'Understanding'

44230087B Tel Aviv HADASHOT Weekend Supplement
in Hebrew 21 Apr 89 pp 23,25

[Article by Yitzhaq Latz: "That Is What Arabs Understand"]

[Text] "And I think that this is the only way to make those Arabs understand that we are nobody's fools," said Yosy Rayiq, 16, to his classmate Navot Goren. "Really?" asked Navot, "You think that the stones you throw are less painful than theirs? Maybe you want to throw fire bombs at them, too, and be done with it? Mow them down, in other words?"

[Yosy] "Don't talk nonsense. If we don't retaliate immediately after each one of their attacks, pretty soon they will look up and think that they've scared us and that they can do anything."

[Navot] "But that's what the army is for."

[Yosy] "Army? Don't make me laugh. We've seen what this army is worth. Instead of defending Jews and cutting down Arabs, those soldiers confront us and cordon off Ari'el. They're crazy."

[Navot] "But you calmed down somewhat thanks to them and didn't spill any blood."

[Yosy] "Don't worry, the next time, if the army gets smart with us, we'll know what to do."

[Navot] "Really? You'll throw stones at the soldiers, too?"

[Yosy] "You know what the trouble is with you? That you're arranging the world according to your distorted mind."

[Navot] "So what did you expect, that I arrange it according to your distorted mind?"

"And I tell you," intervenes Ro'y Efron, "that we must take blood vengeance. That is the only thing that Arabs understand: blood vengeance."

This week we learned that those high school kids from Ari'el staged retaliatory actions against the neighboring Arab village of Bidyiah. That was about 3 months ago. According to a rumor circulating in the area, a man from Alfey Menashe was burned to death in his car not far from his home. Less than 1 hour later Yosy Rayiq from Elkana and his father were already speeding away toward Ari'el. "We practically flew in order to join everybody else."

[HADASHOT] Everybody?

[Yosy] "After every attack the people of Ari'el get together, get organized, and plan a response. When the late Jersey was killed, we went mad with rage. How dare they, those Arabs. We knew that people would get organized in Ari'el, as usual, but at the entrance to the settlement there was a roadblock. We could not believe our eyes. It was the first time that the army was closing off a Jewish settlement."

[Navot] "Closing it off."

[Yosy] "Putting it under curfew, closing it off, whatever. The main thing is that they did not let us, Jews from the area, enter. They held us at the roadblock as if we were Arabs."

[HADASHOT] Then you went home?

[Yosy] "Are you crazy? We left the car at the side of the road and went in on foot. Everybody was there. They had driven around and joined up with each other. Then we drove to Bidyiah."

[HADASHOT] Bidyah? But that village is here, in the neighborhood, not far away. What does it have to do with the attack near Alfey Menashe?

[Yosy] "What difference does it make? They're all the same. Today it's in Alfey Menashe, and tomorrow in Ari'el or Elqana. We decided to make our presence felt. We drove through in the middle of the night with sirens on, made noise."

[HADASHOT] Who took the lead?

[Yosy] "People."

[HADASHOT] Is there a leader?

[Yosy] "Everybody drove together."

[HADASHOT] Are you trying to hide something?

[Yosy] "Hide something? I tell you, everybody drove together."

"It's like this," said Shimshon Levy, Arabic teacher and one of the oldest inhabitants of the settlement, "After each blood incident I stay home and wait. Then I hear a car horn and I know that people are getting organized. I don't know who is in the car, but a car is driving through the streets with the horn on. I get dressed, get into my car, and drive to the center. Once I myself was among the organizers. I wrote a leaflet in Arabic and we circulated it in the neighboring Salfit village. It said: 'Leave us alone and we'll leave you alone. Remember the good times when we lived in peace. We appeal to the noble Arab soul: restrain the extremists.' It didn't do any good. Twice I drove with our people through neighboring villages to make our presence felt, especially after incidents. We only wanted to let them know that we were here. But what happened in the end? Extremists from among us, idiots, went rioting. I said to myself: I will not be a party to that. I stopped going."

[HADASHOT] What will happen next time they blow the horn for you?

[Levy] "I will stay home alone mourning the bloodshed. I will not seek revenge."

[Yosy] "I will. Last time, after Jersey was murdered, there were some 100 cars. When we arrived at the village we came upon another roadblock. It's maddening; why do they have to be heroes with us? They did not protect Jersey. No, they didn't. But now they were putting up roadblocks—very smart. They knew that we wouldn't throw stones at them. We left the car and father and I walked around into the village."

[HADASHOT] Weren't you afraid?

[Yosy] "Don't make me laugh. I was with my father and with everyone else. Afraid? The villagers were waking up from our noise and getting organized. Children went up on the school roof and started taunting us."

[Navot] "Taunting you? And what where you doing there? Went there to invite them for dinner?"

[Yosy] "You and your views. They began to throw stones at us, so we threw some back at them."

[HADASHOT] You, too?

[Yosy] "We threw stones."

[HADASHOT] Your father, too?

[Yosy] "Everybody threw stones, knocked on the walls and on cans, there was noise—as there should be."

[HADASHOT] Did you enjoy it?

[Yosy] "I was pleased."

[Navot] "So now what is the difference between you and some Arab idiot who throws stones or fire bombs at us?"

[Yosy] "You don't know what the difference is? You know very well that if it were up to them, they would butcher us all this very night."

[Navot] "Don't generalize and don't exaggerate."

[Yosy] "Did you hear that? He says not to generalize and not to exaggerate. It was I, not you, who almost became a murder victim."

[HADASHOT] When?

[Yosy] "I'll tell you, then maybe you'll understand what is happening here. My father has a restaurant at the entrance to Elkana, inside an old bus. You might have seen it. You did? OK. One day, last year, my sister, who is in eighth grade, and I went to help out. Four Arabs were sitting there, eating, drinking, laughing. Towards evening my father and mother had to go to Tel Aviv. But since there were customers in the restaurant, he decided to leave my sister and me to work and later to close up. Suddenly, my mother said: 'I'm a little afraid to leave them alone,' and she glanced at the four Arabs. 'You're afraid of them?' my father asked, 'They're like us, they're our people.' So, they took off and we stayed behind. The next day the radio dropped the bomb: the four murderers of the late soldier David Shalti'el had been caught. And who do you think they were?"

[HADASHOT] Who?

[Yosi] "What do you mean, who? One FATAH man and the other three, that's who. And the previous evening, dear sir, I was serving the four killers of a soldier. A

FATAH man, whom I know very well. I could not believe it. I thought it must be a mistake. Maybe. In the evening I was watching television, and there was the FATAH man, smiling, saying 'Yes, I am the murderer.' He said he had done it for ideological reasons. It gave me the creeps. So what do you think now?"

[HADASHOT] What do you think?

[Yosy] "They are going too far. My father once had a worker in the restaurant from the Bidiyah village. We were friends. He brought me a donkey, we played 'hands down.' One day he stopped coming to work. Why? He was arrested for throwing a fire bomb. You don't believe it? It's a fact. I didn't believe it, either, but it's a fact. Those are the Arabs for you. To your face they'll smile at you and say 'Ahlan wa sahlan,' but if you turn your back they'll stick a knife in you."

"He's right, he's absolutely right," said Ro'y Efron, 16, who last summer left Ari'el with his parents and now lives in Petah Tiqva. At the beginning of the week he was visiting friends in Ari'el. "I, too, had joined a special force organized in Ari'el. We went to the village of Adiq to teach them a lesson, so they won't be so happy when they manage to kill one of our women or children."

[HADASHOT] What were you after?

[Ro'y] "What do you mean, what were we after? Revenge."

[HADASHOT] Killing them?

[Ro'y] "Killing? No, not that."

[HADASHOT] Why not?

[Ro'y] "No. We don't go to kill. To scare, yes, but not to kill."

[HADASHOT] What about self-defense?

[Omer] "I'm not a coward, but sometimes I'm afraid, especially after incidents, fire bombs, stones, things like that. We live in Barqan, 1 and 1/2 km from the road that crosses Shomron. Sometimes I'm late for my ride and I have to walk to the road and wait there for a bus or a ride. I'm not afraid for myself. Even waiting at the crossroad with Arabs doesn't scare me. But lately my father has begun to be afraid. For example, this morning I was going to walk to the crossroad as usual, but he suddenly said: wait a moment, I'll drive you to Ari'el. Before he never thought of doing that. He started nagging me not to wait at the crossroad, anything but that."

[HADASHOT] Do you join the people who get organized in Ari'el against Arab villages after every attack?

[Omer] "No."

[Hadashot] Why not?

[Omer] "I don't know, it's not in my nature."

[HADASHOT] What, the violence?

[Omer] "All this organizing. It's not my job."

[HADASHOT] Can you understand those who get organized?

[Omer] "Hot-blooded. Also, I don't want to confront our soldiers. It alienates us from the army, especially when the troops consist of reservists. Soldiers must not restrain Jews. It's better for them to put their energies into catching Arabs and cutting them down. Much better. Otherwise they'll finish us off one by one."

[HADASHOT] Do you really think that you are a target?

[Omer] "There is a war here, if you haven't understood that yet. My father has a factory in the area. We had a worker my age from the village Hars. During vacations I work there, too, and we became friendly. More than that, we were really like friends. Not like a Jew and an Arab, but like friends. One day they were throwing stones at cars not far from here. The next day they caught one of the stone throwers. Can you guess who it was?"

[HADASHOT] What did you feel?

[Omer] "What would you have felt? After all those stories, this year we're taking care of order ourselves. My uncle, who used to visit every year with his children, this year said: 'Look, I don't care about myself, but the children.... What if there is an attack, God forbid.' In short, he's not coming. My aunt is the same. Scared. I feel hurt, but I can understand them. The nights are dark, nothing but flickering lights from the villages, and the radio talks about yet another fire bomb. And even though the chances of getting killed in a road accident are 1 million times greater, everyone thinks that here it rains stones all the time."

[Shiry] "The media are to blame for everything."

[Navot] "What's the point in bringing up the media here?"

[Shiry] "They exaggerate and distort."

[Navot] "You mean they don't throw stones here?"

[Shiry] "What's the point? Not in the quantities that they talk about on the radio."

Reactions to Rushdie Affair Viewed
44230093 Tel Aviv HAYARDEN in Hebrew
17 Apr 89 p 6

[Report by Yo'av Avigan]

[Excerpts] After prolonged interruptions, this week I finished reading Salman Rushdie's book, and when I reached page 289 I realized that he did not leave Ayatollah Khomeyni any alternative but to kill him. That is the punishment reserved for a born Muslim who broke faith and put to shame his ancestors' religion. The Koran calls this "fitnah." Those who want to find out more about the hell that heretics can expect after serving their sentence on earth should read Professor Yosef Rivlin's Hebrew translation of the Koran. Heresy, say Koran interpreters, is a worse sin than murder. The sole punishment possible for such a sinner is stoning to death or decapitation by sword. All that Khomeyni did was to implement the law as stated. Every Muslim must ostracize such heretics. That may be a more humane approach than execution, but in countries like Saudi Arabia or Pakistan heretics cannot bet on the extent of the punishment that will be applied. Since his life is in the hands of the spiritual leader of an Islamic republic such as Iran, there is no pardon for him. It is the duty of a Shi'ite to kill him and to cut off the limbs of any friends that may protect him or give him shelter. The Sunis are no longer as severe. Their punishment is to condemn his books to fire and to hold him in contempt.

Rushdie's direct attack on Muhammad did not leave Muslims any option but to condemn him with the full severity of the law. Agreement with his writings can turn an observant Muslim into a partner in crime. Consequently, in Islamic countries the shaykhs carefully scrutinize writers' products. Supervision had been relaxed since World War II, but recently, the proliferation of authors who associate religious and social problems in their writings has been paralleled by a proliferation of extremists who demand that those writers repent and that their books be destroyed. And if women depart from tradition and write the impermissible, as was the case in Egypt, Lebanon, and even Jordan, they are put in jail. In Jordan, for example, more than seven women writers and poets are in exile because religious elders found their writings tainted by heresy. Another disgraceful example was the elderly Nobel Prize winner Nagiv Mahpuz, who was excommunicated by the shaykhs of Al-Azhar and whose books were publicly burned in the Al-Azhar square in Cairo. Several Jordanian women artists, two of them born in Jerusalem, gave up writing in Arabic after spending a few long weeks in an Amman prison, and began writing in English. Christian women writers did not fare any better. Although they are not considered heretics except for their faith, their writings were banned. Such phenomena are not known in Israel. The majority of Hebrew writers are not aware of the existence of such laws in our times. Recently, however, they became aware of it in view of the death sentence threatening their colleague Salman Rushdie. Hebrew language

writers who sympathize with Arab-PLO writers know in advance that the Israeli government makes difficulties for Arab writers who view 'Arafat as their leader. Since most of the Arabic writers in Israel, not to mention those who joined the PLO abroad, are in favor of a "secular, democratic Palestine," their Jewish colleagues view them as progressive. The Rushdie case opened their eyes to the fact that in the whole world not one Muslim Palestinian intellectual added his name to the list of artists who came out in Rushdie's defense against his pursuers. The PLO Arabs who signed the lists circulated in Europe and especially in the United States were Christian scientists, writers, and poets, such as Professor Edward Sa'id and several other members of the PLO Executive Committee. Their support was not well received in Tunis, where this action by Christian Arab intellectuals was viewed as a weakness harmful to their position in the PLO.

Writer Fadya Faqir, a Christian Arab who left Jordan after being severely criticized there, taught English literature at the Amman University and is now teaching at a minor university in England. She was the first to join the protests against Muslims burning Salman Rushdie's books in England. Several of her relatives in Jerusalem recently discovered that she cancelled a visit to her family there for fear that some Muslim extremist may attack her. She and another female Muslim friend who studies in England are now on the black list of heretics reissued 3 months ago in Saudi Arabia. Since the Rushdie case, the names of 66 Arab writers were added to the Saudi black list, which was duplicated in Kuwait and Iraq and partially taken up in Egypt. The accusation against them is not heresy, but leanings to communism and socialism, which makes them suspect of heresy. A group of fanatic Saudi shaykhs, a few of whom are in Amman and Jerusalem, 2 weeks ago at the big mosque in Jiddah declared a jihad on modern literature in Arabic or translated into Arabic. Britain is obligated to protect a citizen named Salman Rushdie because he is a British subject. In a Muslim country it is an obligation to arrest him. [passage omitted]

The reader who manages to understand the awkward, highbrow English of the "Satanic Verses" will realize that the author took special pains to create problems. When his fate came to be decided, his unrelenting denunciations of Israel did not help. Now, following Tehran's lead, people in other Islamic capitals claim that a government of unbelievers is defending the "God-hated" and that the Israeli "Mosad" is helping protect him and his family. Several Egyptian weeklies associated with the Muslim Brotherhood carried numerous details on the cooperation between the Israeli Mosad and the British Secret Service. An item published in Damascus stated that Rushdie worked for a time for the Israeli "Mosad." Rushdie is not just any old heretic, and any Muslim who kills him is doing the work of Allah. In view of the sensitivity manifested to these issues by writers in Israel, small wonder that few seized on Rushdie's rebellion. Many writers in Israel are perplexed. Although

several of them, particularly writers who have been translated into English or French and who are known as pro-Palestinian, responded to the pleas of writers in the world and added their names to Rushdie's defense, at home they refrain from dealing with the problem. Some of them, especially atheists or some who want to be known as such, warn against translating Rushdie's book into Hebrew. The proof is that this is the first time that nothing was written against rabbis or Jewish clergy who opposed publication in Israel for fear of offending Islamic values.

The Muslim world did not take violent steps against Islamic religious transgressions. Khomeyni's measure in setting a prize on Rushdie's head was unusual, just as his Shi'ite fanaticism is unusual in its extremism. The overt contradictions between modern Arab literature and the devout set in already at the beginning of this century, some say since the opening of the Suez Canal and the premiere of *Aida* on Cairo radio. More precisely, well known Egyptian writer Taha Husayn who, because of his blindness, was absolutely fearless, was the first to clash with critics from Al-Azhar University. Already at the beginning of the 1930's he was excommunicated because in one of his books he preached the right of Arab women to have a say in economic affairs in the Muslim world. Taha Husayn was the first to propose his own theories about Archangel Gabriel's dictation to Muhammad. In his commands to the prophet Gabriel was not flattering to writers and poets, whom he a priori suspected of deviating from religious law. In pagan times, writers held a lofty position in the Arab world. The writings of the most famous among them, who extolled the gods, were widely circulated. Some were exhibited above the holy Kaaba stone. The Koran forbids reading that pagan literature, which explains why so few Muslim Arab researchers ever studied it. That literature was left to the domain of Christian Arab writers. Arab philosophers, or rather philosophers who wrote in Arabic, did not relegate to their obscure writings their doubts about much of what is said in the Koran. They, however, did not make any impression because they only reached a tiny minority.

Muhammad chose one pagan poet, Hasan Ibn-Thabit, who subsequently became the father of all poets and is thought to have been the prophet's favorite. His poems were paeans glorifying Islam for having bestowed on man eternal truth on earth. Secular literature continued to be ignored through the ages and, according to Christian-Arab researchers, even Christian professors on the PLO Executive Committee cannot be rid of it. It was thanks to them that pre-Islamic Arab poetry was saved from oblivion. Just recently several Christian Arab literature scholars were censured at Beirut University as "false scholars" for having taught the history of old Arabic from the writings of pre-Islamic Arab poets.

It is not only in Israel that the Jewish values of Islam are not recognized. European literary circles, which are especially well disposed toward Islam and in particular show a forgiving attitude toward Arab Islamic terror,

were shocked to see Rushdie's book condemned in the Arab press in Europe as a work of heresy to be burned. When there was a danger that the book may be awarded the Goncourt Prize in France or the Special Book Prize in England, Muslims in France and England opened a noisy protest campaign. When the Goncourt Prize was awarded to Rushdie under the influence of Arab writer Tahir Jalun, Muslims in France began a counterattack. The books of Jalun's son were banned, and those of Naipol and other writers were included in the protest. Rushdie's books were banned in 20 Arab countries. The ban was also extended to the works of all the writers who came to his defense. Ironically, the works of Christian Arab professors in England, the United States, and France who are dedicated PLO members and are among the most virulent Israel haters, were also prohibited. Their record did not help them once their names appeared on the list of Rushdie defenders. Indian Muslims did not remain indifferent to the extremist movement and to the ban on writers who defame Islam. Aside from sectarian riots between Hindu and Muslims, the number of people killed for "holy incitement" against Rushdie came to 100. With the blessing of its prime minister, India joined enlightened Pakistan under young Benazir—who replaced murdered Zia-ul-Haq—and Saddam Husayn in Baghdad, who ordered the prohibited books burned. In Cairo, Mubarak viewed Rushdie's books as a political glitch. He accepted without hesitation the verdict of Al-Azhar shaykhs, thus aligning himself with the Saudi shaykhs. Since Egypt is returning to the Arab fold after being ostracized for making peace with Israel, Mubarak decided to ignore the progressive Egyptian circles and to give in to the extremists. Thus, Rushdie was banned under governmental order. It was in a similar manner, though much more quietly, that several books by young poets, men and women, were prohibited in Egypt a few years ago.

In Israel people will be surprised to hear that several Arab countries have banned the works of PLO writer Muhammad Darwish, who left the country and abandoned his Hebrew-language terrorism-supporting colleagues. Darwish's books were found lacking and, according to several religious sages in Damascus, he was "tainted by Israeli admiration." Muhammad Darwish himself scoffed at those accusations, being one of the chosen of his patron, Yasir 'Arafat. However, the upheaval around the Rushdie affair has scared him, too. He is not the only one to feel threatened by the death shadow hanging over Rushdie. In most Arab countries the works of well known Arab writers Nawal al-Sa'adawi and Hannah al-Shaykh and poets Matfar al-Nabab and the "Israeli" Muhammad Darwish are prohibited.

While in the West people ask Rushdie's condemners whether they have read his book, in Islamic countries the question arouses astonishment. Once a book is thought to be opposed to the Koran, its reading is absolutely forbidden. Christian Arab authors wrote about that already in the past century, at the time of the organization of the Pan-Arab Movement, whose leadership was

mainly Christian. Muslims do not read their works because they are condemned as opposed to the Koran and are under religious prohibition. The renowned Arab writer Nawal al-Sa'adawi, who was a few times considered for the Nobel Prize, is almost unknown among Arab readers. She is better known in Israel than in Jordan and some say better than in Egypt, since her books are circulated here. Reading her works is simply prohibited. Jordanian writer Zulaykha Abu-Rizq, who is also known in Israel, has an even worse fate. She was married to a Muslim intellectual associated with the Muslim Brotherhood who did not agree with her writing under her real name. He thought that she should comply with Islamic obligations and not stand out. After being divorced from her husband, she wrote a book called "The Cell," in which she described the suffering of a woman who aspired to cultural inspiration but was doomed to isolation by her husband, a devoted follower of his religion and machismo. The book was banned as soon as it came out. All it took was for the imam of the Great Mosque of Amman to declare it opposed to Islam. In Israel only a few copies are available, since it was burned by religious fanatics. Inciting articles were published in the Jordanian press against Zulaykha Abu-Rizq. Several of them were reprinted in the Arab press in Israel. Moreover, pamphlets were published accusing her of ties with Israel. The writer took her accusers to court. Lengthy investigations were carried out, in which she proved her innocence. She even pointed out her positive attitude to religion. She even won damages against two newspapers. But the ban on her book was not lifted. The book is allowed in Israel, if anyone can find it, but it is prohibited in Egypt and Jordan. Until recently it could be procured in Christian Lebanon.

There is no doubt that the Rushdie affair and the awakening of Islamic fanaticism elicited by the publication of his book will sooner or later have an effect on Christian writers. They will not be able to ignore the subject, just as they cannot hide from it. Muslim researchers point out that Christian Arab researchers and historians, such as Philip Rowe and others, distort Arab history by exaggerating Christian contributions to historical research.

Anyone who tries to view Rushdie's book as a failed incident that will soon be forgotten does not know much about the war of ideas raging within Islam and among non-Muslim Arabs. All that is left for Rushdie supporters like Edward Sa'id is to increase their criticism of Israel. But even that will not save them.

JORDAN

Former Director Suggests Transport Cost Cuts To Improve Economy

44000536a Amman JORDAN TIMES
in English 6 May 89 p 3

[Article by Mariam M. Shahin, Special to the JORDAN TIMES]

[Text] Amman—During the last six months or so heated discussions have taken place amongst all members of

Jordanian society—from government officials to the general public—on means to get the national economy back on track.

There have been many suggestions and recommendations on how to increase the flow of foreign currency into the Kingdom and curb "superfluous" spending on all levels, from the corridors of the ministries and government departments to our living rooms and kitchens.

Undoubtedly, things are indeed changing and many Jordanians have heeded the call for austerity measures to make the country and its people adjust to the new situation warranted by the decline in the Jordanian dinar's exchange value and further import restrictions adopted by the government.

Simultaneous with the belt-tightening measures, there have been calls to develop industries that already exist in Jordan as well as establish new ones. The curbs on imported goods in all sectors should certainly encourage local production, even if it will not do a lot for quality control.

According to Fawzi Abu-Nawwar, former director of the Jordan Ports Corporation and current head of the Near East Maritime Agencies Co. Ltd., the full potential of "Jordan's geographical options" have been overlooked amid the national effort to set up new industries.

He points out that industries cannot be set up overnight and the process of studies, financing and acquisition of technology consume a lot of time while the impact of new industries on the national economy will be a slow moving process. Hence, says Abu-Nawwar, "while we are busy building industries let us not forget other, quicker options that we can utilise to increase the inflow of foreign currency because basically at this stage that's the name of our game."

According to Abu-Nawwar more extensive use of Jordan's maritime facilities as well as its two railways (in order to speed up transport to neighbouring Arab countries) is one way to increase the inflow of foreign currency.

"We will save time and money if our port and railways are utilised more effectively," Abu-Nawwar said in a recent interview with the JORDAN TIMES.

"For example, it takes a vessel sailing from Belgium of England 10 to 15 days to dock at 'Aqabah and 30 days to dock at the Iraqi port of Basra. If Jordan can manage to get Iraqi-bound cargo through 'Aqabah and then by land to Baghdad in less than 30 days, then we are already increasing efficiency," he pointed out.

'Aqabah Port collects 20 to 25 Jordanian dinars in hard currency on every tonne of goods unloaded there, he said.

Overland Transport

Overland transport from 'Aqabah to Baghdad was boosted at the height of the eight-year Iran-Iraq war, which closed the Shatt al-Arab waterway, Iraq's only outlet to the Gulf. However, Iraq also used to get some of its imported goods through the Gulf ports of Saudi Arabia and Kuwait. In the wake of the 20 August ceasefire that ended the Gulf war, the Iraqi use of the Gulf ports increased, leaving a major impact of the use of 'Aqabah, according to maritime experts.

Abu-Nawwar suggests that better use could be made in the overland 'Aqabah-Baghdad transport if Jordan would use its two railway networks and be more cost efficient in the field.

Jordan has two railway lines: The Hijaz Railway Corporation, established at the turn of the century, has lines running from Damascus to Maan, and the 'Aqabah Railways Corporation operates the phosphate hauling business between the mines in the south and 'Aqabah.

Activities of the Hijaz Railway Corporation are limited to tourist train rides and transporting goods from Syria to Jordan. The director general of the corporation, Dr Abdullah Jazi, says it is cheaper for the importers to use the Damascus-Amman railway rather than trucking the goods.

"It is about 20 to 30 percent cheaper, and the duration of transport is cut down considerably by the use of the railway," he said. Figures available for 1987 indicate that 20,000 tourists or school children used the railway, and the corporation handled about 10,000 tonnes of goods from Syria to Jordan. It is cheaper for cargo movers to use the railway in moving goods, rather than using lorries. The time it takes for the cargo to reach its destination in Syria by train is between 6 to 7 hours whereas by lorry it takes up to 24 hours.

"Not only that," says Abu-Nawwar, "we have 12,000 lorries, which cost anywhere from 40,000-50,000 Jordanian dinars each; their maintenance and upkeep is much more costly than trains will ever be."

At present, the corporation owns four steam engines of 1,050 horsepower each and five diesel engines of 950 horsepower each. It has about 250 wagons, including 50 with a payload capacity of 15 tonnes each, 99 with 30-tonne capacity and 81 with 10 tonne capacity each.

Full Capacity Storage

According to Abu-Nawwar there are already established storage areas, such as Ghuwaysimah, which are not being used to full capacity by any means.

There are countless money saving formulas, but they have to be applied. Economising on ways goods are shipped from the Far East to Jordan is one such way.

Abu-Nawwar explains: "For a container to reach Kuwait from Hong Kong it costs the Kuwaitis the equivalent of \$600. For the same container to reach 'Aqabah it costs Jordan \$1,650. We have thousands of trucks coming back empty from Baghdad. Why don't we have our goods delivered to Basrah and have our trucks come back with these goods instead of coming back empty. We save on hard currency and we become more efficient by using our trucks. These concepts have to be applied without hesitation and immediately."

According to Abu-Nawwar, in 1988, 74 percent of all the goods that arrived in Jordan were transit goods. Thus the most logical step for Jordan is to create a free port. Once you have that you will encourage transit cargo and thus the inflow of foreign currency.

The Port of 'Aqabah could be instrumental in helping Jordan out of its economic squeeze. If the transit cargo going to Arab countries would be transported by Arab transport companies, we save foreign currency, encourage local industries and save time. To save time is [words omitted] save money.

LIBYA

Joint High Commission Set Up With Libya

34190219y Dakar LE SOLEIL in French
18-19 Mar 89 p 7

[Joint Senegalese-Libyan communique]

[Text] From 12 to 14 March 1989, Chief of State Abdou Diouf and a large entourage paid an official visit to the Socialist People's Libyan Arab Jamahiriya.

With his host, Colonel Mu'ammar al-Qadhdhafi, guide of the 1 September Revolution, President Abdou Diouf held important meetings dealing with bilateral cooperation, matters of common interest, and current African and international political and economic issues.

An agreement on the establishment of a joint high commission on Senegalese-Libyan cooperation was concluded.

The following is the text of the joint communique published at the close of President Abdou Diouf's visit to Libya.

Responding to an invitation from Colonel Mu'ammar al-Qadhdhafi, guide of the 1 September Revolution, Abdou Diouf, president of the Republic of Senegal, paid an official visit to the Socialist People's Libyan Arab Jamahiriya from 12 to 14 March 1989.

The visit, which was significant from several standpoints, enabled the two chiefs of state to further strengthen the feelings of friendship and esteem they have shared for many years.

During his visit, President Diouf toured the Brega pipe manufacturing plant, the Syrte oil company, and the Ras Lanuf petrochemical complex.

These visits enabled him to see a few of the accomplishments of the Socialist People's Libyan Arab Jamahiriya within the framework of its policy of social and economic development.

The two sides held important talks on bilateral cooperation and matters of common interest in terms of current African and international political and economic issues.

The discussions took place in an atmosphere of brotherhood, friendship, and mutual understanding and the two sides engaged in a thorough examination of problems of bilateral cooperation and exchanged views on the situation in Africa and the rest of the world.

On the bilateral level, the two nations expressed their desire to do everything possible to revive Senegalese-Libyan cooperation and strengthen it in all fields, particularly the political, social, economic, scientific, and cultural areas.

An agreement concerning the establishment of a joint high commission on Senegalese-Libyan cooperation was concluded.

The two sides decided to hold the first meeting of the joint high commission in Senegal.

In the international sphere, the two sides noted the profound similarity of principles that guide and channel their approach to major international problems and agreed to continue their joint efforts to promote the coming of a fairer, more united, and more peaceful world.

Examining the situation in Africa, both countries noted with satisfaction the positive evolution in the situation in Chad, southern Africa, and the Maghreb.

Reaffirming their support of the objectives and ideals of the United Nations and the OAU [Organization of African Unity], as well as the principles of nonalignment, both parties emphasized the right of African nations to handle their affairs themselves and determine their own destiny within a freely chosen framework, amidst unity and harmony, and free of any desire for domination or foreign interference.

The two sides also reaffirmed the inalienable right of African and Arab peoples to independence.

With respect to Namibia in particular, both expressed satisfaction with the application, effective 1 April 1989, of Resolution 435 (1978) of the Security Council.

In this connection, they reiterated their decision to provide SWAPO [South-West African People's Organization] with financial assistance so as to enable it, within the period of transition, to effectively conduct its election campaign looking to the coming elections in Namibia.

Evoking the situation in South Africa, the two nations reaffirmed their condemnation of the policy of apartheid and reaffirmed their determination to spare no effort to eradicate that odious system.

They renewed their support for the fight being waged by the South African people and liberation movements to ensure respect for human rights and social progress.

Both welcomed the holding of the Second Summit Conference of chiefs of state of Maghrebian countries and the creation of the Union of the Arab Maghreb. They expressed the conviction that the dynamic of unity, solidarity, and integration of such an entity is such that it will contribute to the achievement of African unity.

Examining the situation in the Middle East, both sides paid special attention to the Palestinian problems.

They reaffirmed the unconditional support of their countries for the struggle of the Palestinian people and recalled that the institution of a just and lasting peace necessarily depends on the recognition of the inalienable rights of the Palestinian people, including the right to an independent, sovereign state.

The two parties also condemned the massive violation of human rights of which the Palestinians are the victims in the occupied Arab territories and hailed the Intifada movement that has grown up to oppose the Israeli occupation and its manifestations.

Concerning Arab-African cooperation, both sides expressed the need for its revival so as to adapt it to the potential of Arab and African countries united by indissoluble cultural and spiritual links.

They also exchanged views on the duty of all countries belonging to the Islamic Conference Organization [OCI] to work for the cohesion and stability of the Islamic community, so that the OCI, through the gradual realization of its objectives, will continue to improve its credibility on the international scene.

In such a spirit, the two countries decided to combine their efforts to ensure the complete success of the coming summit meeting of the Islamic Conference Organization scheduled to be held in Senegal.

Turning to the international economic situation, both expressed their strong concern over the world economic crisis whose harmful effects have a heavy impact on the economies of developing countries in general and African nations in particular.

They also reaffirmed the common determination of their countries to work to establish a fruitful dialogue between northern and southern countries and to call an international conference on Africa's foreign debt as soon as possible.

During his visit to the Socialist People's Libyan Arab Jamahiriya, President Abdou Diouf noted the immense progress made by the Libyan people under the lucid and effective direction of brother Mu'ammarr al-Qadhafi, guide of the 1 September Revolution, and wished to express his admiration for the remarkable results which are the living reflection of a policy made of wisdom, courage, and strictness.

At the close of his visit to the Socialist People's Libyan Arab Jamahiriya, President Diouf expressed his thanks to Colonel Mu'ammarr al-Qadhafi, guide of the 1 September Revolution, for the particularly warm welcome extended to him and for the caring attention paid to him throughout his stay.

Abdou Diouf invited Colonel al-Qadhafi to pay an official visit to Senegal. The invitation was accepted with pleasure and the date of the visit will be set by diplomatic procedures.

OMAN

Stock Market Put Into Operation

44000536 Dubayy THE KHALEEJ TIMES
in English 21 May 89 p 15

[Text] Muscat—The Sultanate of Oman took a big leap forward in the world of speculative share-trading yesterday when it put the Muscat Stock Market into operation after a long wait.

Minister of Commerce and Industry Salim Ibn-'Abdallah Al Ghazali said it had taken the government almost five years of study to set the ball rolling.

"Every possible precaution has been taken to ensure that there was no Manakh" Mr Ghazali told reporters, while referring to the collapse of Kuwait's parallel market in early eighties. Lessons had also been learnt from other outside experiences, he added.

The opening ceremony was attended by the top officials of the Oman Chamber of Commerce and Industry and leading businessmen. It was marked by His Majesty Sultan Qabus Ibn-Sa'id's gesture of offering RO 50,000 through shares for the country's welfare organizations.

Calling it a "big day," the minister said "We are happy our efforts of five years have taken a definite shape—full of promise." He added it was another step towards activating the country's economy in keeping with the royal directive issued last year.

He said well-educated Omanis have been trained to handle the job, adding he was confident that the move would yield results. "We have enough experts to rely on" he told reporters, who were taken around the new premises in the basement of the ministry's building in the company of potential customers and guests.

In all, 48 publicly-held Omani joint stock companies have been displayed on the walls around the counter and five more are to follow suit soon. Banks and financial institutions are automatic participants.

Sulayman Ibn-Muhanna al-Adhawi did the royal transaction on behalf of the government and his counterpart in the Ministry of Labor and Social Affairs, Sayyid Hamad Ibn-Hilal al-Bu-Sa'idi, for the welfare bodies looking after orphans, retarded children and the handicapped.

According to the bulletin, which is to become a daily feature for the media to publicize, in all 8,180 shares were sold for a volume of RO 50,003. The shares of Port Services (RO 5.450), Oman Aviation Services (RO 2.280), Oman Flour Mills (RO 68.620) and National Insurance Company (RO 56.380) remained the same at the closing. The shares were quoted on book values.

Dr Hashim Sabbagh, adviser to the chairman, who explained the procedure and other details to a gathering not fully conversant with this sort of business. He told this correspondent that the settlement would be on immediate cash basis.

He, however, pointed out that fluctuations would be cut to 10 percent on either side after seven days of trading should the situation arise. He said shares were issued in February. Now, it was time for the secondary market to play its role, he added.

The Jordanian expert said: Oman had been put on the world map of stock exchanges and a Reuter computer had been installed. "We can be viewed from anywhere in the world today," he remarked.

Agencies add: Businessmen in Oman said that it was specified that the exchange would operate daily for one hour between 1000 and 1100 am (0600 and 0700 GMT) except Thursday and Friday.

After six months, operations will be reviewed to consider whether the exchange should also operate in the afternoon, they said.

There are an estimated 17,500 share-holders in the Sultanate, a country with a population of about 1.5 million.

On the floor of the Oman market, brokers take orders directly or by telephone, writing up trades on the board for the 48 listed companies.

So far, only Omanis can enter the market save for some companies which are already partly held by foreigners. national Bank of Oman, for example, is 40 percent held by the Bank of Credit and Commerce International.

These shares can be traded as long as the foreign holding remains below 35 percent.

The success of the market will depend on the government releasing some of its own holdings and on persuading other existing owners to sell their shares.

The government holds 15 to 70 percent of shares in each of the listed companies, brokers said.

many are so profitable that there is no great incentive to sell. "We have many buyers but we want sellers too," said one broker.

Investors are interested in the very large dividends, which give an average annual return of around 20 to 30 percent on investments, brokers said.

Industrial Promotion Unit Established

44000548 Muscat TIMES OF OMAN
in English 8 Jun 89 pp 1, 2

[Article by Meena Ganjvi: "Boost for Industry"]

[Text] The Ministry of Commerce and Industry is planning to give additional support to industrialists, particularly in the form of technical assistance, according to the Director General of Industry, Khamis al-Khayyumi.

The new Industrial Promotion Unit, an expert body set up by the Ministry, will start offering consultancy services to industrialists next month, he told the TIMES.

The Director-General said the unit which was established recently after years of groundwork, including studies and surveys, would offer professional advice on technology, finance, production, marketing, administration and manpower.

The idea behind this unit, he said, was to assist small and medium scale industries which are either unable to afford expert advice for their problems or do not know where to seek advice from.

Small

"These units being small can't afford to have their own research and development facilities to improve productivity, market and administrative skills."

Explaining the need for such a unit, Mr al-Khayyumi said: "Industries are new to Oman and many of the industrialists may have had good experience in trade but have no experience in industry. Due to lack of experience, entrepreneurs face difficulty in working out the

feasibility, identifying suitable technology, establishing contacts and negotiating with international companies. This unit will assist such industrialists and thereby help improve the efficiency of the industrial sector and make it more competitive."

To begin with, the unit has two Japanese experts, Tsunemasa Muroi and Toshio Sato, who are assisted by two young Omanis' Ali Ibn-Mas'ud al-Sunaydi, an industrial engineer and Sultan al-Mughiri.

This unit is equipped to assist industrialists from the initial stages of market study, selection of technology, availability of information about local and international markets, and negotiate deals to the day-to-day problems faced by operating industries.

After an industry has been set up most units experience teething troubles. Problems can be related to marketing, product quality, administration or even efficiency of workers and this unit would help the industries to overcome these initial problems.

And there are also times when the industry is doing well but the industrialist is unable to identify a problem. In such a situation the unit would act as a factory clinic and assist in not only identifying the problem but also solving it.

Training

Based on the requirements of each industry, the unit would also devise training programmes for top level and middle level management.

"This unit is a net result of detailed studies carried out jointly by Japanese and Omanis to understand the problems of industries and the day-to-day experiences of the Directorate dealing with the industries."

Such industrial development units are very common in one of the most industrialised countries, Japan, said the two Japanese experts, who have visited about 40 companies in the Sultanate to get an understanding of problems in the industrial sector.

"In Japan, these units are operated both by the private as well as the government sector. The Government runs these services to help the small and medium scale industries."

"In Oman the industrial sector is still in its infancy stage and needs a little help and guidance."

The Japanese experts felt the industries did face problems related to marketing, technology and administration. Pointing out some of the problems Mr. Tsunemasa said, "to begin with the Omani domestic market is very small to sustain industries. This means we must treat the entire AGCC countries as one market unit. But since these are different countries with different policies it does create certain problems for the industrialists."

Technology

"We can also help in estimating the market in the early stage of feasibility study. We can also assist them in selecting the suitable technology in order to reduce costs and be competitive in the market."

Summarising the role of the unit, Mr al-Sunaydi said: "Since industrialisation is new in this country there are no professional consultancy services for industries in this country and we are the first such unit. We shall offer a very professional look at the existing problems of the industry."

But with all these disadvantages, Oman has some very important advantages which would be the strength of the industrial sector, according to Mr. Toshio Sato, industrial consultant. "The government is stable, effective, clean and committed to industrialisation. In addition the Omanis are willing to work," he explained.

Behaviour

In their efforts to be of help to the industrialists it was important for the experts to understand the work culture and the working behaviour of Omanis. Mr al-Mughiri and Mr. al-Sunaydi conducted studies on 'the working population' and the 'Omani working behaviour'.

The studies showed that most Omanis were willing to work but preferred government jobs to working in the private sector. Disparity in salaries and working hours, were among the several reasons responsible for the preference for Government jobs.

"With the help of these studies we would be able to devise manpower management programmes for the industrialists," Mr. Tsunemasa said.

QATAR

Survey on Family Income, Spending Reported 44000549 Muscat TIMES OF OMAN in English 8 Jun 89 p 19

[Text] Preliminary results of a survey on family income and spending carried out by Qatar's Central Statistical Organisation during 1988 and covering about 1,200 families have shown that the average monthly family spending comes to QR10,082.

Central Statistical Organisation director Muhammad Ma'uf al-Nu'aymi told Qatar News Agency that the preliminary results showed wide differences between the spending of Qatari and non-Qatari families. The average monthly spending of a Qatari family QR15,323 while for the non-Qatari family it was QR7,951, he said.

He added that the results also showed inconsistency in the family sizes of the families covered by the survey noting that the Qatari family averaged 8.9 members while the non-Qatari family averaged 4.8 members including servants residing with the family in the same house.

SAUDI ARABIA

Al-Yamamah Project Developments Cited 44000544 Jeddah ARAB NEWS in English 1 Jun 89 p 16

[Article by Francis McKenna]

[Text] Jeddah, May 31—"We now have the experience to bring this dream to realization." These words, spoken by Prince Fahd Ibn-'Abdallah, coupled with the official announcement that the first formal presentation of two offset projects was made last week to the Saudi side, were the highlights of the official Saudi launch of the ambitious al-Yamamah offset program which is anticipated to stimulate at least a billion pounds worth of British investment over coming years.

First expressions of serious interest have come from British Aerospace and Dowty. These companies are interested in participating in the construction of a missile engineering facility. British Aerospace is also seeking involvement in the Alujayn, aluminum smelter project slated for Yanbu'.

The Saudi launch comes during the 4th Saudi Businessmen's Conference, exactly four months to the day after Britain's offset launch in London. A satellite link-up with London brought Sir Colin Chandler, chairman of the British al-Yamamah Offset Committee, into the inaugural evening. He is assisting British Prime Minister Margaret Thatcher in her talks with Prince Sultan, second deputy premier and minister of defense and aviation, who is on an official visit to Britain.

Noting that five companies have been set up and awarded commercial registration under the U.S. Peace Shield offset program, Prince Fahd added that a site near King Khalid International Airport, Riyadh, is now being readied for hi-tech electronic and industrial developments.

Leading the official British party of 57, Ambassador Sir Stephen Egerton noted that al-Yamamah covers "both defense and civil sector business opportunities." Reminding the large audience of the longstanding and growing links between the two countries, Egerton said: "It is through the extension of our trading partnerships that we shall build for the future."

Noting that Britain "has been for two years now the Kingdom's third largest trading partner," he continued, "Saudi exports to Britain also increased by over 70 percent in 1988, and are still on a rising trend."

Citing SABIC as an example of Saudi industrial success, Egerton noted that Saudi "non-oil exports totalled about SR4 billion in 1984. In 1988, that figure was over SR13 billion."

Dr 'Abd-al-Rahman al-Zamil, deputy minister of commerce, spoke of U.S. Peace Shield offset project involvement in contracts awarded by the Ministries of Defense and Interior adding that he expected similar al-Yamamah offset success stories in the future. He noted that the government of the Kingdom awards priority to offset companies but will not accept inferior products.

David Douglas Home, chairman of the British Committee for Middle East Trade (COMET), pledged his organization's full support.

Colin J. Craig, from Schroder Asseily & Co. Ltd., financial advisers to the British Offset Committee, announced that a sectoral analysis study had identified hi-tech undertakings, secondary downstream petrochemicals, pharmaceuticals and medical products, the processing of agricultural products and food manufacture, as sectors where a base exists for developing new joint ventures.

Samir al-Fayiz, president of Advanced Electronic Co. [AEC] from Riyadh, which was set up under the U.S. Peace Shield scheme, emphasized that AEC has already won three major contracts worth nearly SR45 million. He said: "Make sure the project is feasible; think big; be flexible; adopt a 'can do' attitude."

Concluding the formal speeches, Prince Fahd said: "I hope that some light has now been thrown on the al-Yamamah Offset Program." He urged all visiting British businessmen to meet their Saudi counterparts to get a feel of how business is conducted in the Kingdom.

UNITED ARAB EMIRATES

Report Provides Abu Dhabi Demographic Statistics

44000542 *Dubayy GULF NEWS in English*
27 May 89 p 4

[Article by Muhammad 'Uthman: "On the Corniche"]

[Excerpt] The population of the Abu Dhabi emirate is expected to reach 818,500 by next year, according to estimates shown in report just released.

The demography section of the statistical yearbook of Abu Dhabi planning department predicts that the population will increase from 768,833 this year to 818,592 next year.

According to the estimates shown in the book the female population in the emirate will be 242,360 by next year compared with 227,411 this year, while the male population will be 576,232 next year against 541,422 this year.

The report on the population estimate by sex in Abu Dhabi shows a sharp rise in the number of females in the last five years. The figure which stood at 176,040 in 1985 jumped to 213,023 in 1988 and is expected to rise next year.

Although the statistics book does not give any explanation for the rise it might be attributed to the drop in rent.

Prior to 1985 it was very difficult for the majority of private sector and government employees to bring their families to the country due to the high cost of housing.

But starting from 1985 the rents started dropping and many could afford flats or sharing accommodation beside the government scheme of providing accommodation for most of its employees.

The estimate figures of the population show a proportional increase in the figures between 1985 and 1987.

They show an increase of about 30,000 people annually during this period. The estimates were 621,302 in 1985, 651,489 in 1986 and 683,311 in 1987.

The rate of increase went up to about 40,000 from 1987 to 1988 and according to the department's prediction the number will be about 50,000 this year.

This can be attributed to the economic situation in the emirate. During the first three years the country was going through recession which slightly affected Abu Dhabi too as government projects were largely confined to infrastructural development while the expenditure was almost on the same level with a slight drop.

But as the country started coming out of the recession since the last year the improving economic climate needed more labor which justified a sharp rise in the population in the last two years.

The male population in the emirate was increasing steadily from 1985 to 1988.

Since the rents are going up again creating a similar situation which existed prior to 1985, most of the private and government employees will be facing difficult times in keeping their families here.

The rising cost of living will too lead to a drop in population next year if the trends continue.

AFGHANISTAN

Commentary Criticizes U.S. Role in Afghanistan
46000150 Peshawar THE FRONTIER POST
in English 30 May 89 pp 4, 5

[Article by Dr Jassim Mohammad Taqui]

[Text] Despite the revival of detente between the superpowers and the initial hope it has created among the Third World countries, the new American Administration appears to have opted for a confrontational policy with the Soviet Union to gain strategic concessions from Moscow elsewhere and not to solve the problem. The superpowers are using, as usual, others' territories, institutions and manpower to fulfill their policy irrespective of the grave consequences of this policy on the region in particular and the world's peace and security in general.

It seems that John Foster Dulles' old principle of "containing" the Soviet influence is being revived and actively pursued by the Bush Administration in continuation of the so-called Reagan Doctrine which emphasises active covert and overt support of anti-Communist resistance in different parts of the world, particularly in Afghanistan. This is being done in spite of the fact that the Soviet leadership has conceded defeat in Afghanistan and completed the withdrawal of its forces from that country.

The United States used to consider Afghanistan as a "low priority area". This was so due to many reasons especially, (i) Afghanistan was a poor and backward country and needed huge assistance to develop into a dependable modern state (ii) it could not promote the 'cold war' policy because of its strict neutrality posture: a *raison d'être* for its survival (iii) the U.S. implicit belief that Afghanistan belonged to the Soviet sphere of influence.

By contrast, the Soviets took keen interest in promoting their relations with Afghanistan; being of vital security importance and adjacent to the Soviet Muslim Republics.

The Russians have, initially, respected Afghanistan's neutrality and sought to help it militarily and economically to prevent it from serving as a base for a hostile power, presumably the United States. Therefore, they build dams, paved roads and created a pro-Soviet military base. Since the fifties, the Soviets extended substantial aid in building the Afghanistan Armed Forces with grants, loans, modern weapons, advisers, technicians, technology...etc. Consequently the Soviet influence in Afghanistan increased manifold and was established on a sound and enduring basis.

When the Soviet influence gained momentum in Afghanistan, the American Administration showed some interest in that country and started contributing to its development. But the American Administration had never

been clear in its objectives. During 1955-65 the United States contributed \$550 million to Afghanistan. However, this aid in the next decade was reduced to \$150 million. The quantum of aid in 1978 amounted to \$20.6 million which declined to \$17 million in 1979 and further to \$5.1 million in 1980.

During the period prior to the invasion of Afghanistan, the Carter Administration considered both Pakistan and Afghanistan as low priority areas. In fact, Mr Carter was very harsh with Pakistan due to Islamabad's insistence on its nuclear programme. He unilaterally cut the military and economic aid agreements with Pakistan and even proclaimed the constitution of Rapid Deployment Force headed by Gen Gerald Smith and assigned it the task of destroying the Kahuta nuclear plant!!

The Americans would not have changed this policy had it not been for the Soviet invasion of Afghanistan and the Iranian revolution which crushed the pro-American Shah regime and replaced it with an anti-U.S. fundamentalist regime. The loss was great because Iran used to be 'the island of stability' and the pillar of U.S. policy in the region.

The Soviet invasion of Afghanistan had further deteriorated the situation and posed grave danger to the entire Persian Gulf region and constituted a potential upset to the United States' policy towards the Gulf and South West Asia.

Initially, the Americans never bothered to help the Jihad during Tarakkii's rule even though it was active in 13 provinces. But the fall of the Shah and the Soviet invasion of Afghanistan compelled them to contact the Mujahideen to further the American interests and objectives in the region, viz, (i) To build up a regional anti-Soviet resistance. (ii) To augment the U.S. military presence particularly in Pakistan on the pretext of safeguarding Pakistan from the Soviet's danger. (iii) To take due revenge from the Soviet Union by turning Afghanistan into another Vietnam. (iv) To woo India and force her to adopt an equidistant policy with the superpowers by raising the folly of the Soviet advance towards Indian!! (v) To involve USSR in an unwinnable and costly war which can be both a burden and a grave danger to the Soviet economy. Hence, to force the Soviets to give more concessions elsewhere, most probably in Latin America, in lieu of peaceful settlement of the Afghan issue. (vi) To beef up the American military influence in entire West Asia by promoting 'regional co-operation' between the like-minded allies to prevent any Iran-type revolution in the region.

Two American personalities were over-anxious to teach the Soviets a lesson that they would never forget. The first was Brezinski who thought that the Soviets had over-extended themselves and sought to convert Afghanistan into their grave and make it another Vietnam. He wanted to ruthlessly exploit the Afghan issue to bleed them for a maximum possible period of time. The

second was the Congressman, Mr Charles Wilson, who supervised the CIA [Central Intelligence Agency] covert assistance to the Mujahideen. He firmly believed that it was the right war at the right time. The initial aid to the Mujahideen of \$30 million was considered a meagre amount by Wilson. He, therefore, recommended more, because he wanted more dead Russians!! He proclaimed, "There were 58,000 dead in Vietnam and we owe the Russians one!"

The Americans were, in fact, adopting a dual policy on Afghanistan. While U.S. declared its support of the peaceful settlement of the issue, it simultaneously increased the quantum of the financial help to the Mujahideen as per the following table:

Year	Aid (\$ million)
1983	30
1984	75
1985	285
1986	500
1987	875
1988	1000

More than \$4 billion military and economic aid to Pakistan was approved by the once hostile Congress; because the Americans had no alternative other than promoting Pakistan to take Iran's role as the policeman of the Gulf. Thus Pakistan has become a key element in the American strategy and the focal point of attention, its erstwhile ruthless and brutal dictatorship notwithstanding. The champions of human rights and human liberty, respect and dignity never hesitated to support the worst dictatorship in the history of Pakistan for over 11 years which played havoc with the lives, destiny and dignity of over 90 million of the Pakistani people, destroying in the process all the institutions of the country to uphold the interests of one individual. This great betrayal of moral and ethical principles was justified simply to safeguard the American interests.

The Reagan Administration had, therefore, to convert the obsolete R.D.F. of Jimmy Carter into CENTCOM to accommodate Pakistan and to involve it in defending the American interests in West Asia and the Persian Gulf.

Accordingly, Mauripur base near Karachi was extended and modernised to be extensively used by U.S. P-3 Orion to monitor the Soviet naval fleet, Persian Gulf, and Indian Ocean.

Overflight rights, 'facilities' in airfields and seaports and other logistic support were also sought [to provide] the same American military and economic aid package.

Sophisticated radar and other electronic facilities in Gawadar and large airbases at Chaghi in Baluchistan were also built to monitor the military movements of both Iran and the Soviet Union and probably to support the opposition forces of the Iranian revolution particularly the American spies and the Savak. In all operations, Pakistan's security figured nowhere but the national interests of Pakistan were sacrificed with utter contempt to protect the vested interests of U.S.

Having achieved the vital objective of the withdrawal of the Soviet troops from Afghanistan, the Americans appeared to have reverted to their original policy of considering Pakistan a low priority area.

The American media is raising again the bogey of Pakistan's nuclear programme while maintaining complete silence regarding the nuclear programmes of India, Israel and South Africa.

A well knit campaign has recently been launched against ISI [Inter-Services Intelligence] for its handling of the Mujahideen. Subsequently, the campaign was directed against the Prime Minister, Mrs Benazir Bhutto, claiming that she urged the Mujahideen to attack Jalalabad despite opposition from the ISI chief Lt Gen Gul Hamid.

The American game in Afghanistan is posing today a grave danger to the Pakistan's security, safety and territorial integrity.

The Soviet Union started warning Pakistan for supporting the Mujahideen who insist on a military solution of the Afghanistan conflict. The Soviets have even threatened retaliation after a rocket fired by Afghan Mujahideen exploded in the Soviet Embassy in Kabul. Moscow's anger would have increased manifold after Mr Hekmatyar's statement of April 18, 1989, in which he claimed that the Mujahideen "had recently seized a huge quantity of Scud-B missiles and could turn them on Moscow."

On the other hand, Pakistan's involvement in the Afghanistan issue has created a strong Soviet-Indian axis which would definitely pose a great danger to the security and territorial integrity of Pakistan.

The Mujahideen should also realise that the 'gun only' policy would lead to the emergence of a third group of 'peace only' which could mobilise the majority of Afghans against both Najib's regime and IUAM [Islamic Unity of Afghan Mujahidin].

Attacking civilians and making them run for their lives may improve the image of Najib and make him a national hero. This may cost IUAM dearly in terms of risking a great loss of the world's support.

Though the Soviet invasion of Afghanistan caused heavy destruction, the Afghan public opinion is slowly but surely turning against the United States due to the American rejection of Gorbachev's proposal for ending arms supplies to both sides and bringing about a cease fire.

It is in the national interest that our policy makers should review their policy on Afghanistan and abide in letter and spirit by the Geneva Accords. It is high time to renew the peaceful efforts for establishing a broadbased representative government in Afghanistan otherwise the civil war in Afghanistan would ultimately spill over to Pakistan with far-reaching and devastating effects on our security, territorial integrity and national unity.

BANGLADESH

Businessmen Tell of Decline in Economic Growth
46001463 Dhaka THE BANGLADESH OBSERVER
in English 18 Apr 89 pp 1, 10

[Text] With this year's economic growth heading for a lowest ever level during the last six years since 1982 and the ADP [Annual Development Program] is required to be slashed by 19 percent, the situation prevailing in the country indeed presents a grim picture. There is no sign that the situation will improve in the near future, unless timely measures are taken right at the moment, country's economy, already shattered by so many events, will suffer 'irreparable setback.'

Highlighting the declining trend in every sector, the leaders of the Bangladesh Employers Association (BEA) told a crowded Press conference at a city hotel in Dhaka on Monday that prevailing recession has badly threat to the depleting pattern of the industries.[as printed] Some jute and cotton textile mills have been closed due to 'deterioration in financial condition.' The leaders said the jute mills have been burdened with large amount of interest due to accumulated total loss.

Over the last four years, nationalised and private sector jute mills have incurred losses of Taka 482 crore and Taka 277 crore respectively. With illegal entry of yarn and foreign textiles in the country, cotton textiles industry has suffered enormous loss. Accumulated loan liabilities with the commercial banks incurred during BTMC [Bangladesh Textile Mill Corporation] period, the textile mills in private sector have been facing a number of constraints. The situation has further worsened as stagnation in the sales prolongs, the leaders claimed.

Though the exports of frozen food and readymade garments have increased in the first half of this fiscal year, the BEA leaders claimed the full potentiality could not be realised due to shortage of raw materials and shipping problems. In frozen food sector, only 15 p.c. to 20 p.c.

production capacity could be utilised in the factories. Readymade garments sector, export target fell short by 21 percent.

The leaders said that this year's export target of Taka 1,680 crore will not be achieved. During the first half of the fiscal year, import of fabrics by the readymade garment units stood at only Taka 407.63 crore compared to Taka 533.54 crore in the corresponding period last year. The problems relating to quota management, release of raw materials from the ports, etc., pose as other hindrances in the way of healthy growth of the industry.

Tea Industry

Dwelling on the critical problems being faced by the tea industry, the leaders said that country tea has been increasingly failing to compete in the international market in the face of cash subsidies given to tea exporters in the neighbouring countries. The leaders stressed the need to give similar help to the industry in a bid to improve its price competitiveness.

The steel sector has also been affected by the weakening demand and depressed economic activities. Similar weakening demand was also seen in the sales of electrical goods and electronics. The figure of public sector units indicate that sales of ceiling fans decreased by 25 percent, television by 4 percent and air-coolers by 45 percent. Sales of air coolers have considerably declined due to government's surprise decision to allow imports of the item up to two tons without fixing any tariff value of the imported units, sales of other items also went down.

Terming the fiscal and credit policies of the government as wrong the leaders said, 'we have been pointing this fact to the government for the last three years.' They said restrictive credit policy, high rate of interests, increasing cost of electricity and other inputs, coupled with labour unrest and pay hike, have affected a large number of industries.

Agricultural Sector

Similarly the agriculture sector has been neglected by denying its requisite share of resources. Declining trend in the investment pattern on agriculture, withdrawal of subsidy on fertiliser, aggressive credit recovery programme have hit the sector very hard.

As a result, for most of the industries, the rural market shrank and overall demand for consumer products remained seriously depressed. Moreover, the industrial sector's predicament has been aggravated by last year's floods. The large and medium industries had to lose four million man days while the same for small and cottage industries were 13.5m. The floods have caused substantial damage to the plants and equipment, inventories, etc.

Pointing to the employment target in the management sector, the leaders of the Employers Association have emphasised the revival of growth in the sector and investment activities in order to create more employment opportunities.

As some of the remedial measures, the leaders said the government mobilise all resources for tackling the demand recession in the economy. Money should be pumped into the economy through productive sector.

A high powered Cabinet Committee should be constituted to look into the specific problems of major industrial sectors with a view to helping the industries to survive. The leaders opined that the XPB [Export Promotion Board] scheme has proved to be unremunerative to the exporters. It should immediately be replaced by cash compensatory support scheme ignoring the critical advice, they said.

Labor Unrest

Replying to a question, the leaders said the growing labour unrest must be stopped by all means in keeping with the provisions laid down in the law. No trade union body can violate ILO [International Labor Organization] Convention unilaterally, they said pointing to impending strike call by the SKOP [Sramik Krisak Oikya Parishad]. Tendencies to take the law into own hands by any elements should be firmly dealt with. Lawlessness in the labour sector has already been proved to be deterrent for attracting both foreign and local investments. It was suggested that involvement of outsiders at plant level must be stopped by withdrawing the amendment which was made in Industrial Relations Ordinance (IRO) 1969 by the present government following its agreement with the SKOP in 1984.

Wage Increase

The BEA executives argued that wage increase must be linked to productivity improvement. Otherwise, they felt, not only the existing industries will close down, but new investments in the country's industrial sector will be difficult to attract.

'We are depending on hundreds percent foreign prescription. As every soil has its own dynamics, we must seek our own prescription,' the leaders said.

The Press conference was addressed, among others, by Mr. M. Morshed Khan, President, Bangladesh Employers Association, Syed Monsen Ali, Chairman, Bangladesh Jute Mills Association, Mr. Abul Ehsan, Chairman, Bangladesh Garments Manufacturers and Exporters' Association. Mr. Ahmadul Kabir, Chairman, Bangladesh Cha Sangsad and Mr. Salahuddin Kasem Khan, Chairman, Bangladesh Textile Mills Association.

INDIA

Trade Matters Said To Strain Indo-U.S. Relations
46001484 Madras THE HINDU in English
11 May 89 p 9

[Article by K.K. Katyal]

[Text] New Delhi, May 10. India and the U.S., which of late had learnt to deal with each other despite their differing geo-political perceptions, may find their bilateral ties under stress, arising from trade and allied matters.

Unlike the high-profile diplomats, whose interaction attracts instant public gaze, the trade and commerce officials of the two countries have been engaged in quiet discussions on mundane, but crucial issues of patents rights of intellectual property and trade practices, but have failed to sort out the differences. The dark shadow of the punitive provisions of the U.S. Trade Act hovers over India. May 30 is a crucial date—by then, the countries with "unfair trade practices" have to be identified by U.S. officials by then.

The latest in the series were the meetings of a four-member U.S. team with the commerce Ministry officials here on a report compiled by the office of the U.S. Trade Representative on restrictions on imports and foreign investment in India. Last month, the Trade Negotiations Committee, meeting in Geneva under the auspices of General Agreement on Tariffs and Trade (GATT), at the ministerial-level, agreed to discuss the provision of "adequate standards and principles concerning the availability, scope and use of trade-related intellectual property rights", "effective and appropriate means" of their enforcement, and expeditious procedures, "including the applicability of GATT procedures" to prevent and settle disputes. India's decision to accept the GATT umbrella for negotiations was a departure from the earlier position described by some as a case of surrender on a matter of principle.

In regard to both—bilateral dealings with the U.S. and the discussions of the Trade Negotiations Committee—India's options were limited and, as a result, it was required to make the best use of what was possible. To take the second case first, the decision to accept the GATT jurisdiction on trade-related intellectual property rights was preferred as a way out of bilateral pressures and onslaughts of the multinationals, by diverting the debate to the decision of a multilateral forum. That it was not an ideal forum was realized.

Defending patent laws: Secondly, the agreement also contains stipulations and provisions, which would be invoked for consideration of the concerns "related to the underlying public policy objectives" of the national systems of the participation countries for the protection of intellectual property, according to the official view here. India will thus be able, it is pointed out, to defend

its patent laws and to emphasize the rationale—that these were intended solely to protect the indigenous industry against the forays of the multinationals and to promote the socio-economic development of the country.

Thirdly, the normal pattern of the global line-up on economic issues, between the developing and industrialized countries was disturbed during the discussions on patents and other issues. With self-interest as the main promoting factor, the developing world did not present a united front. India did have the support of countries like Yugoslavia and Egypt and some in Latin America, but not of many others while it found itself on the same side of the fence as some in the industrialized world.

U.S. objections: The bilateral discussions with the U.S. were based on the nine objections listed in the report of its Trade Representative. Some of these are as follows:

1. "India's web of market access barriers is a serious and long-standing impediment to U.S. exports. Although some U.S. companies have identified individual items of export interest, most potential exporters have simply given up in the face of across-the-board quantitative restrictions and steep tariffs."

2. "Many U.S. firms have found India's procurement practices cumbersome and non-transparent. In awarding contracts, India's policy favors Indian suppliers over foreign suppliers on a case-by-case basis. India is not a member of the GATT Government Procurement Code. The Oil and Natural Gas Commission (ONGC) has been cited as especially difficult on procurement matters."

3. "India does not provide adequate and effective protection for U.S. intellectual property rights. The U.S. has discussed intellectual property protection with India in many formal and informal meetings in the past few years. Indian officials have not responded positively to repeated U.S. proposals for changes in India's patents, trade marks and copyright laws. India is not a member of the Paris Convention nor does it have a bilateral patents agreement with the U.S. The U.S. is pursuing these issues bilaterally and in the Uruguay Round negotiations on intellectual property protection."

4. "The Indian Government either partially or entirely runs most major service industries. Restrictions on trade in services follow the same pattern and rationale as restrictions on trade in goods and foreign investment. Officials fear allowing more scope to foreigners would diminish control over strategic industries, adversely affect inefficient service monopolies and add a new drain on foreign exchange."

5. "The Indian Government policies and practices severely restrict potential U.S. investment and impose unacceptable conditions on those U.S. companies that invest in India. Foreign investment, where allowed, must serve narrowly defined national goals."

Negotiators' poser to U.S.: Indian negotiators wanted the U.S. to understand and appreciate India's concerns asking them: "Would not the U.S. have taken similar measures at the stage of development where India finds itself today?" That this and other arguments did not carry conviction was obvious.

Soon "Super 301" and "Special 301" will become familiar words in the diplomatic jargon. These are the numbers of the draconian provisions of the U.S. Trade Act.

The original Section 301 of the 1974 Trade Act allowed the President to use tariffs and quotas to retaliate against unfair trade practices by other nations. Under the "Super 301" provisions of the new legislation, the U.S. Trade Representative must identify those unfair trade barriers whose elimination could boost U.S. exports the most. Then, it must identify priority countries, based on the number and pervasiveness of the unfair trade practices. Next, the Trade Representative must seek negotiations to eliminate those countries' unfair trade practices over a three-year period. However, a determination as to whether or not the negotiations are satisfactory must be made within 12 or 18 months.

If it fails to obtain agreement to end the practices, the Trade Representative must pursue other avenues of amelioration that could result in retaliation.

Excerpts of Gandhi Intervention in Debate on Communalism

46001478 New Delhi PATRIOT in English
6 May 89 p 5

[“Excerpts” from 3 May debate on the communal situation in various parts of the country]

[Text] Extracts of Prime Minister Rajiv Gandhi intervention in the Lok Sabha on May 3 during the debate on the communal situation in various parts of the country:

“A secular India alone is an India that can survive. India and secularism must remain synonymous to assure the glory of our civilization and the future of the country. Secularism is a condition of our existence, it is the essence of our tradition. Secularism and our nationhood are inseparable.

“We are a multi-religious multilingual, multi-cultural society; but we are not a multi-national society. We are one country and we have one common citizenship. Through 5,000 years of living experience, we have demonstrated to the world that there can be a vibrant reality of our unity in diversity. Today's world is in desperate need of learning from India's experience. Through technological development, the world is becoming smaller and is growing towards a global village. It is equally in need of unity and diversity. India's secularism is a global need because the global secularism is inseparable from human survival, from inter-dependence, from global cooperation.

"The history of humanity is spattered with the consequences of narrow-minded nationalists, equating community with nations, religion with nation, language with nation, ethnicity with nation. To escape history's trap of turbulence and tragedy, many countries and regional groupings are seeking to escape the exclusivism of the past. They can live together with cross-fertilization of ideas, preventing cultural genocide. It is in this world-wide effort that the world is learning from India's unity in diversity. No other civilization has as long a record in evolving a composite culture; as long a record of a policy based on secularism.

"Notwithstanding thousands of years of secularism, the forces of communalism have not been vanquished. The history of India is a kind of dialectic between the forces of secularism, of tolerance and compassion versus the forces of communalism, fundamentalism and fanaticism. The never ceasing running battle with the opposing forces of communalism continues and we must fight them.

"How do we understand secularism? First and foremost, it is not anti-religion or irreligious. It is a deep abiding appreciation of the rich vein of spirituality that runs through our culture, through every religion of India, through our history. It runs through every person who is an Indian. The cardinal principle of secularism is equal respect for all religions: Sarva Dharma Samabhaav.

"We also respect all religions equally. No religious community is singled out for favors by the State, or subjected to disability or disadvantage by the State. The State has no religion: the State is above religion. For the State, religion is a private and personal matter for the individual. The State is concerned only with full protection for all, with equal opportunity for all, with equitable benefits for all.

"The third principle flows from the first and the second: since religion has high value, it must remain in the private and personal lives and it has no role to play in the politics of the country.

"Injecting religion into politics is poisoning our body politics; is against the traditions of our civilization, the canons of our Constitution and the survival of our State.

"From the war of India's Independence that started in 1857 to 1940, Indians of all communities, except communalists, were together in the battle to free India. But the Lahore Resolution passes by the Muslim League gave an opportunity for the communalists to make inroads into the mainstream. And within less than a decade of the Lahore Resolution, India was partitioned. We shall never let another partition of India happen again, we shall never let the forces of communalism triumph over secularism.

"A patriotic Indian is a secular Indian; a nationalist Indian is a secular Indian; a disciplined Indian is a secular Indian.

"Through 40 years of Independence, we have shown that we are one nation. We have faced external aggression as a united nation. We have stood firm as one nation against the internal forces of fundamentalism and fanaticism. It is illustrated most dramatically by what had happened in Punjab. The protagonists of secession found common cause with religious fanatics. Together, they roped in terrorists, murderers, hired assassins, gun-runners, smugglers and common criminals mixing politics with religion, mixing religion with criminality.

"(But) the people of Punjab have not given in. The tolerance of our people has triumphed; the brotherhood of centuries has triumphed; the innate secularism of our people has triumphed. At the same time, the forces of communalism have always (been) on prowl, trying to insinuate themselves into the political life of the country; working from behind the scene or using others as a front.

"If secular forces stand together, communalism can be contained. Danger arises when political parties for opportunistic reasons lend weight and support to narrow causes.

"But there are political parties represented even in this House that have become tools, willingly or unwillingly, of fundamentalism and fanaticism masquerading as religion. Some political parties live on stocking fears of religious minorities; others live on stoking religious passions of the majority community. There are those who incite passions only to pose as protectors of faith. The Congress is pledged to have nothing to do under any circumstances with such forces.

"As a Government our foremost duty is to safeguard secularism and we invite the cooperation of every section of this House to join us in this great national endeavor. I welcome the suggestion that is being made by Shri Indrajit Gupta. I have already requested the Home Minister to call all the secular parties, all the national parties and to talk with them and work with them to see how we can build a common culture.

"Over the last 40 years, we have augmented our capacity to tackle communalism. It is reflected in the declining trend in communal incidents. But the task will not end till there are no more communal incidents. (Causing) loss of life or limb or property.

"Law and order is a State subject; the Center can at best consider (the) national perspective, issue guidelines and assist State Government. But the primary responsibility lies squarely with the State Governments. The State Governments have been assisted time and again by the courts, and I would specially like to congratulate the Bombay High Court and Justice Barucha for their historic decision.

"We have commended to the Chief Ministers far-reaching recommendations of the National Integration Council's sub-groups headed by P.N. Haksar. There has

been some effect, although the overall action has not been to our satisfaction. There is no room for complacency; the communal monster must be laid low.

"It is not an issue between the Center and the States; it is not an issue between the Congress and other parties. This is a national issue, that demands a national response.

"The secular injunctions of the Constitution must be carried out in good faith, and with deep dedication. Religion must not be mixed with politics. No one doing so can run for elections today after our recent amendments. But still there are some political parties who have not amended their constitutions. These parties must amend their constitution and bring them into conformity with the nation's Constitution.

"After Gandhiji was felled by religious fanatics, the national responsibility of carrying forward secularism fell on Panditji's shoulders. He stanchd the bloodletting of partition, reassured the minorities, reformed obsolete and oppressive mores of the majority community. He gave Indians of all faith, confidence that the State is above all prejudice, above all discrimination, above all narrowness. He assured every Indian honor and opportunity.

"We would soon call a meeting of the National Integration Council to discuss the issue of communalism, and we would like that to be followed up after the Home Minister has his initial meetings with leaders and members of the opposition parties.

"In a few days, we will be commemorating the 25th anniversary of the passing away of Panditji. There can be no more significant manner of honoring Panditji's memory than in fulfilling his ideals in rededicating ourselves, in rededicating India and every Indian to the principles of secularism which Jawaharlal Nehru espoused and the unflinching application to the political and social life of our country."

Congress-I Plans Strategy for Election Campaign

46001477 Calcutta THE TELEGRAPH
in English 4 May 89 p 1

[Article by Sandhya Jain]

[Text] New Delhi May 3: The Congress-(I) will highlight the communal question and the Nehruvian concern for the economic well-being of the poor and backward sections while upholding the validity of the trends towards economic liberalization as part of its strategy for the coming elections to the Lok Sabha.

The new strategy has been discussed at the highest levels of the party and may be launched at the AICC(I) [All India Congress Committee] session on May 10 and 11.

The party views communalism as the greatest menace at present and proposes to revive the Prime Minister's 15-point programme to alleviate minority fears. The steps taken by the present regime to promote minority recruitment in central services will be highlighted. For instance, in the central police organizations alone, 17,000 persons belonging to minority communities were given employment between 1984-88.

Special recruitment drives, coaching programmes and special orientation courses are being organized in areas where there is a concentration of minorities by banking and other organizations so that their members can compete effectively in public examinations. School textbooks that tend to rouse communal instincts will be corrected. Banks will be asked to give loans in minority-concentration districts.

The party is expected to make capital out of Janata Dal president, Mr V.P. Singh's failure to attend the meeting of Left parties against communalism in April. He also refrained from criticizing the Vishwa Hindu Parishad, the RSS [Rashtriya Swayamsewak Sangh] and the BJP [Bharatiya Janata Party] on the Babri Masjid-Ram Janmabhoomi issue. The Congress(I) hopes that the Babri Masjid issue will soon be out of the way once the court gives its ruling.

The party is also critical of the CPI(M) [Communist Party of India-Marxist] for its willingness to go in for an alliance with the Janata Dal which in turn is likely to join hands with the BJP. Congress leaders point out that while on one hand the CPI(M) has taken a stand against communalism, on the other it is willing to enter into an indirect alliance or seat adjustment with the BJP which the Congress regards as a communal organization.

Commission Says General Election Only After August

46001493 Bombay THE TIMES OF INDIA
in English 29 Apr 89 p 15

[Text] New Delhi, April 28: The Election Commission will be ready to hold a general election only after August, according to present indications.

Sources said the special revision of electoral polls to include those who attained the age of 18 on April 1, this year will be completed in most of the states by May 15, and in a few others by June 2.

However, in some states like Assam the process is proving to be somewhat difficult and the election commission is hopeful of completing the revision of rolls there only in August.

Also, the election commission only recently had placed orders for 1.5 lakh electronic voting machines worth Rs 75 crores with two public sector undertakings—the Bharat Electronics Corporation Limited, Bangalore, and

the Electronics Corporation of India, Hyderabad. These will be available for use only in August.

The machines will be used in some 150 Lok Sabha constituencies, especially those considered to be sensitive.

Election commissions sources also claimed that the government had given them no indication that an early election was in the offing.

Importance of Sino-Soviet Relations to India Told
46001486 Madras *THE HINDU* in English
15 May 89 p 9

[Article by K.K. Katyal]

[Text] New Delhi, May 14. New Delhi may not be an ideal capital for a ring-side view of the Sino-Soviet summit, beginning in Beijing tomorrow, but the hope and the sentiments of welcome, aroused by it here are no insignificant pointers either.

In the past, the prospects of a thaw between the Soviet Union and China used to be viewed with apprehension. That was the case, for instance, when the Soviet President, Mr Mikhail Gorbachev, came to India on his first visit some three years ago. Not so now. On the contrary, the summit is being hailed as one of the greatest events of the last 25 years by any reckoning both in the global and Asian context.

That New Delhi may take a positive look of Sino-Soviet detente was evident during Mr Gorbachev's second visit here last November. The subject figured in some detail in his discussions with the Indian leaders as also in his public pronouncements. Speaking at a New Delhi ceremony, while accepting the Indira Gandhi Peace Award, he described his initiatives for peace and security in the Asia Pacific region as an invitation for joint work to improve the situation in the region with the participation of all concerned countries.

"We especially count," he said, "on the understanding and cooperation of India without which the problems of the Asia-Pacific region can never be solved. This is also true of another great nation—the People's Republic of China. Thinking of countries like the Soviet Union, India and China, one is inevitably led to realize that good relations between them are extremely important for the destinies of Asia and for global progress." He was pleased to see signs of improvement in the relations between India and China he said, adding "our own relations with China are also evolving in an encouraging way."

The improvement in the Sino-Indian relations, he alluded to was later manifest in the Prime Minister. Mr Rajiv Gandhi's visit to China, his talks with the leaders there and the specific steps agreed upon to promote friendship and eliminate irritants.

Mr Gandhi's China trip may not have materialized had Mr Gorbachev's initiatives not created a climate of relaxation or not brought about a switch from confrontation to cooperation. In a setting, in which old, deep-seated animosities melted, as evidenced by growing contacts between Moscow and Washington and their agreement to destroy one class of nuclear weapons, India's move for closer ties with China became an inevitable corollary.

In this process, China too discarded its misgivings about the Indo-Soviet friendship, seeming to appreciate and not misunderstand the underlying imperatives. It blamed the Soviet supremacy of the Sixties, Nikhita Khrushchev, for creating misunderstanding between India and China, pointed to the winds of change in Moscow and to the beneficial effects of Mr Gorbachev's thinking on Sino-Indian relations.

The preparatory steps taken in the run up to the summit had had a crucial bearing on the situation in India's neighborhood. China, as is known, set three conditions for talks between the top Soviet leaders—Soviet withdrawal from Afghanistan, similar pullout from Cambodia by Vietnam, described as Moscow's proxy and reduction in tension on Sino-Soviet borders. Moscow fulfilled these conditions. The withdrawal of Soviet troops from Afghanistan, completed on February 15 and of the Vietnamese soldiers from Cambodia, expected to be over by the end of September, opened up new possibilities for peace and normalcy in the region. It is a different story that Afghanistan was plunged in a civil war subsequently. In Cambodia, however, the outlook is encouraging, with India getting ready for a role in bringing about a political settlement there.

As on important occasions in the past, a senior Soviet leader—perhaps, the Deputy Foreign Minister, Mr Igor Rogachev, the architect of the Sino-Soviet understanding—will come here to brief the Indian leaders on the outcome of the Beijing summit also mooted is the idea of a Moscow stopover by the Prime Minister, during his visit to Paris in the middle of July to attend the bicentennial celebrations of the French revolution.

India Objects to Tone of Sri Lanka Communiques
46001488 Madras *THE HINDU* in English
18 May 89 p 1

[Article by Thomas Abraham]

[Text] Colombo, May 17. The Indian High Commission has reacted strongly to the anti-Indian tone of the Sri Lankan Government communiques that have been issued at the end of each of the current round of talks with the Liberation Tigers of Tamil Eelam [LTTE].

In a statement today, the High Commission said that "it noted with regret the Sri Lankan Government communiques conveying the views of one party to the talks over

the role and function of the Indian Peace Keeping Force [IPKF] in Sri Lanka and casting unwarranted aspersions on it."

The statement noted that the Government communiques "had made no references to the circumstances in which the IPKF had come to Sri Lanka, the immense difficulty of its task and the enormous sacrifices it has been making in an attempt to preserve the unity and integrity of Sri Lanka."

"It was our impression that the purpose of the current talks was not to provide a propaganda forum but to address themselves to the objective of bringing all concerned into the democratic process by giving up violence and accepting a commitment to the unity and integrity of Sri Lanka."

The Indian response follows a series of Government communiques issued after the current discussions which began last Thursday, in which the LTTE has been sharply critical of the Indian presence in the North and East and has focussed on human rights violations, arrests and deaths of persons in custody.

India-bashing: The communiques have given wide publicity to the LTTE charges and the talks have, in fact, become a forum for India-bashing. In yesterday's talks, for instance, the LTTE delegation devoted itself to criticizing an interview that the Indian High Commissioner, Mr Lakhan Lal Mehrotra gave to two local newspapers on Sunday. The High Commissioner had talked about the IPKF's mandate and performance, which the LTTE delegation described as "a total misrepresentation of the situation in the North and East."

Three quarters of the statement, issued at the end of yesterday's talks, consisted of a harsh attack on the what the High Commissioner had said and charged him with trying to "promote controversies and divert the attention of the people from the burning issues facing the country."

One of the Indian aims during these talks has been to ensure that they do not degenerate into a propaganda forum. But the record of the past week has shown that the LTTE has been getting wide publicity in the media, especially in the state-run TV for their charges against the IPKF.

The agenda for the talks has not been made public yet, and there is no indication that either side has got down to discussing the core issues that will decide the success or failure of the talks, the willingness of the Sri Lankan Government to increase the amount of power devolved to the Tamil areas, the issues of colonization and the permanent merger of the Northern and Eastern Provinces, and the willingness of the LTTE to lay down arms and accept to unity and integrity of Sri Lanka. No talks were held today, and they are expected to resume tomorrow.

Militants killed: In the North and East, the IPKF-LTTE fighting continued with the IPKF reporting that three

militants were shot dead in Puthur when they tried to escape from IPKF custody. Exchanges of fire were reported from Urumpirai and Koddikammam in Jaffna peninsula and Kadalparicham in Trincomalee.

PTI, UNI report:

Not an occupation force: An official spokesman for India, said New Delhi has taken strong exception to the reported remark by the LTTE Political Adviser, Mr A. Balasingham that the IPKF was performing the role of an "occupational army". There was no question of India acting in any such manner, he said describing Mr Balasingham's observations as "falsification of facts."

The spokesman said these were "intimidatory" tactics adopted by the LTTE interested in seeing IPKF out of Sri Lanka. This practice also characterized the inherent contradictions in the LTTE which professed to talk peace but its actions were always on the contrary.

LTTE warning: According to Tamil sources, the LTTE has warned the people of Jaffna Peninsula not to have any dealings with the IPKF. Posters had appeared in the peninsula, threatening to kill anyone who did not heed the warning.

The LTTE, has also asked the authorities at the Jaffna Kacheri to get the IPKF out of the Kacheri premises. If they could not do that, the offices should be shifted.

Surprise move: In a surprise move, the North-Eastern Provincial Council, controlled by the Eelam People's Revolutionary Liberation Front (EPRLF), today adopted a resolution supporting the "democratic struggle" of the students and teachers in Jaffna.

The students have been on a week-long class-boycott campaign to protest against the killing of a student by unidentified men last week and the IPKF operations.

The EPRLF Secretary-general, Mr K. Padmanabha has condemned the Sri Lankan External Affairs Minister, Mr Ranjan Wijeyaratne's announcement that a ruling UNP [United National Party] MP [Member of Parliament] would supervise and monitor the rehabilitation work in eastern districts. It was an encroachment on the Provincial Council's powers.

Recent Trends in Indo-Soviet Trade Reviewed
46001492 *Calcutta THE TELEGRAPH in English*
27 Apr 89 p 9

[Text] New Delhi, April 26: Indian engineering exports to the USSR may touch the Rs 600-crore mark this year indicating a significant change in India's export basket to the Soviet Union. According to an Associated Chambers of Commerce and Industry of India (Assocham) study "Recent Trends in Indo-Soviet Trade."

According to the study, the quantum jump in the trade turnover from Rs 1.3 crores in 1953 to over Rs 5000 crores last year fully reflects the structural changes in the composition of the trade.

In India's export to the USSR, the share of agricultural products such as tea, coffee and black pepper has decreased. Although in absolute terms they continue to increase. On the other hand, the percentage of manufacturing goods has substantially gone up.

India's engineering export to the Soviet Union has shown large increases in absolute value terms and also as a percentage of total exports. It increased from Rs 28 crores in 1981 to Rs 480 crores in 1988. The engineering goods being exported by India include automobile storage batteries, aluminum power cables, wire ropes, machine tools, castings and forgings, freight containers, electrical equipment, water purifying plants, etc. The exports of chemicals and allied products as also leather and leather goods has also shown a marked increase.

The structural change in the Indo-Soviet trade is also clearly visible in India's imports from the USSR. In the early years India imported from the Soviet Union capital goods, which mainly included plant and machinery. However, the picture has undergone a big change with larger imports of intermediate goods and raw materials like steel, coal, fertilizers, oil, asbestos, etc. On the other hand the share of heavy machinery, plant and machinery, etc. has declined.

The study dispels the impression that India's exports to the USSR have resulted in "trade diversion" rather than "trade creation." The fact, however, is that India's exports to Soviet Union have not only led to trade creation but also contributed to the diversification of India's exports.

Though 80 per cent of India's exports to USSR is accounted by the private sector, its share of imports from USSR is less than a third of the total. The doubling of the trade turnover to Rs 10,000 crores under the Indo-soviet trade plan for 1986-90 would require more active participation by the Indian private enterprises.

Indo-soviet trade is developing against the background of dynamic changes in the economies of the two countries. Several ministries, government departments, industrial associations and enterprises in USSR have been now given the right to directly conduct import-export negotiations with foreign companies. Soviet Association for Business Promotion with India has been set up to render assistance to Soviet as well as Indian public and private sector enterprises.

The Assocham study has suggested setting up capacities in India based on Soviet natural resources in consumption goods, e.g., paper, establishing units in the Soviet Union to process Indian mineral wealth, e.g., iron ore, using Indian skills to improve soviet agriculture and

Soviet skills to modernize India's infrastructure, exploration of Soviet market for two and three wheelers, supply of Indian components for modernizing the spinning sector of Soviet textile industry, allowing independent bodies to undertake market research in the Soviet Union.

Union Home Ministry Assesses Communal Situation

46001479 Calcutta THE STATESMAN
in English 5 May 89 p 9

[Article by Kanchan Gupta]

[Text] According to the Union Home Ministry's assessment, "the communal situation, which had shown improvement during the latter half of 1987 and the first quarter of 1988, started deteriorating in April/May 1988 when communal incidents occurred at Aurangabad, Paithan, Bidkin (all in Maharashtra), Behrampur (West Bengal), Bidar (Karnataka), Muzaffarnagar, Aligarh, Khatauli and Faizabad (all in Uttar Pradesh)". The Ministry feels that the "Ram Janambhoomi/Babari Masjid issue considerably heightened the communal tension and riots at these places in Uttar Pradesh could mainly be attributed to this one single factor".

The prevailing situation can well be gauged from the Home Ministry assessment last year when it said that "the communal situation has remained comparatively peaceful except for the riots in Uttar Pradesh, Gujarat and Delhi during April-June 1987". Available statistics show that there were 764 riots in 1986 in which 418 people were killed and 5,389 injured; there were 711 riots in 1987 in which 383 people were killed and 3,860 injured; in 1988 there were 610 riots in which 223 people were killed and 3,120 injured. These are, of course, Government statistics.

Strangely enough, though there has been a gradual, but alarming, deterioration in the communal situation, the last time that the Government thought it fit to discuss the issue at a high level was in 1987 when the Standing Committee of the National Integration Council (NIC) met on June 23. (The Prime Minister announced in Parliament on Wednesday that the NIC will meet to discuss the communal situation, but he did not give any date.)

The NIC Standing Committee had considered the recommendations of the Haksar Committee, which had suggested in its interim report the "creation of a consciousness of Indian nationhood through consistent and persistent efforts through educational processes, media projections, political processes and processes of economic development and evolving of a broad conceptual framework within which programmes could be designed to promote national integration systematically and in a sustained manner...". The interim report was accepted by the NIC and circulated for "Further discussion". Period.

During 1988 the Union Government's official role has been limited to "remaining in constant touch with the concerned State Governments, who were assured that for maintaining communal peace and harmony whatever help and assistance were required would be provided with utmost speed and promptitude". This lofty claim of the Union Home Ministry is in stark contrast to what the Prime Minister told Lok Sabha on Wednesday. According to him, while communalism is a national problem, law and order is a State subject and the State Governments have to ensure the protection of minorities.

That, of course, is easier said than done. For instance, various commissions of inquiry set up to probe the causes of communal conflagration have suggested the raising of a multi-religious police force, especially in Uttar Pradesh and Bihar where the PAC [Provincial Armed Constabulary] and the BMP [military police?] are known for their communal bias. But precious little has been done to remove the stigma from these forces which are given the task of controlling riots. Similarly, another common recommendation, looking after the educational and economic interests of the minorities, remains a far cry.

According to Union Home Ministry sources, most often recommendations and conclusions put forward by commissions of inquiry are put on record and then allowed to die a natural death. Officially, these recommendations/conclusions are described as "useful for promoting communal harmony". Since there seems to be no improvement in the situation, it can be concluded that though useful, the recommendations are not put to use.

Some of the recommendations made from time to time are as follows:

- Improvement in the working of the intelligence system for gathering information about communal activities. The information should be "reliable and advance".
- Local administration should "take adequate measures for prevention of disturbances on receipt of information about any apprehension of communal disturbances".
- The Government should "exercise greater selectivity in posting of magistrates and police officers to communally sensitive areas... Severe action should be taken against officers who fail to take preventive measures against occurrence of communal riots and when such failure indicates negligence on their part".
- Collective fines be imposed at places where communal riots occur and punitive tax should be imposed to recover cost of deploying additional police forces in such areas.
- "Political parties should change their attitude in approaching the people for their gain, especially at election time. They should not exploit communal feelings for their purposes.

What has been the fate of these recommendations? They have been "compiled by the Government and sent to all

the States and Union Territory administrations for guidance and suitable action". Period.

Most often commissions of inquiry are promptly set up to assuage the bruised feelings of the people and to silence criticism both in the Press and by the Opposition. But as soon as the furor dies down, the Government negates the efforts of the inquiry commission, by "granting" extensions. A stage comes when people forget about the riot and the commission set up to inquire into its causes and to fix responsibility.

For instance, the judicial inquiry into the Maliana massacre, headed by Mr Gursharan Lal Srivastava, retired Judge of Allahabad High Court, ordered by the Uttar Pradesh Government on June 29, 1987, is "still considering various evidence and has not yet submitted its report to the State Government". In the meantime, the then Chief Minister, suspected to have helped fan the riots, has been removed from Lucknow and given a berth in the Union Cabinet.

The three-member committee, headed by Mr Gyan Prakash, appointed by the Uttar Pradesh Government to probe the various aspects of the Meerut riots of May 1987, submitted its report on September 18, 1987. The State Government, however, "has not considered it expedient to place the report of the committee before the Legislature".

Similarly, the reports of the Saxena Commission and the Pareikh Commission, appointed by the Uttar Pradesh Government to inquire into the communal violence which erupted at Moradabad in 1980 and Meerut in 1982, have not been placed before the State Legislature. Is the Government trying to hide its complicity in the riots by not placing the reports in the House?

The commission set up to inquire into the causes of the Bidar riots of September 14 and 15, 1988, was to submit its report within three months. But now its term has been extended up to July 25, 1989.

It is not always that reports are suppressed. There are other ways of rendering an inquiry infructuous. For instance, it took such a long time for the Gujarat Government to finalize the terms and conditions of the Jaswant Singh Commission set up to inquire into the violence which occurred in Ahmedabad from July 9 to 18 in 1986 in connexion with the Rathyatra procession, that the Government decided "it would be infructuous to proceed with the inquiry" and wound up the commission.

Plan Approach Paper Finalized, Focus on Poverty
46001471 New Delhi PATRIOT in English
20 May 89 p 8

[Text] The approach paper for the Eighth Plan (1990-95), finalised by the Planning Commission, makes poverty alleviation and employment as major objectives to be achieved through the instruments of Panchayati Raj and Jawahar Rozgar Yojana, reports UNI.

The commission has lost no time in weaving into the eighth plan strategy the decentralisation envisaged in the constitution amendments relating to Panchayati Raj units, now before Parliament.

The finalised draft will be sent to Chief Ministers and later discussed in the National Development Council, the highest policy-making body, for approval.

The Jawahar Rozgar Yojana, as the Centre piece of the special employment programmes, will also be in tune with the ruling party's initiatives in this direction.

The eighth Plan, as proposed in the approach paper, aims at growth rate of six percent annum with an estimated aggregate investment of Rs 6,45,000 crore. The public sector outlay is put at Rs 3,45,000 to 3,55,000 crore of which public investment may be in the range of Rs 2,95,000 to 3,00,000 crore.

The approach paper maintains the macro-economic implications of six percent growth which had been projected earlier in the commission's alternative growth scenarios. These include raising of the domestic savings rate from the present 21.5 percent to 24.1 percent of the Gross Domestic Product (GDP), investment rate from 23.2 to 25.9 percent of the GDP and the tax-GDP ratio from 16.9 to 19.2 percent.

The other assumptions are bringing down to the Incremental Capital Output Ratio (ICOR) from 4.6 to 4.3, holding down inflation to five percent, limiting the growth in interest payments and subsidies to nine and six percent respectively and other non-plan expenditure to five percent.

Basically, for achieving a higher growth rate, the commission says, "we need increased efficiency in resource use, higher rates of savings and investment and higher export growth to meet the cost of high imports".

The commission has fixed a target of 10 percent as increase in the volume of exports and calls for an "aggressive" export strategy relying on "up-to-date technology market innovations and quickness of response". All the well equipped firms will have to do far more than they have been able to do so far.

The paper also advocates restraining of imports through discouraging consumption of non-essential imports, curbing of the demand for petroleum products and effective implementation of the phased manufacturing programme.

The commission is of the view that the capital inflow from abroad could be restricted to 1.8 percent of the GDP as with the projected order of export growth debt servicing should be within manageable limits.

S&T Department Annual Report Reviewed, Praised

46001494 Madras *THE HINDU* in English
5 May 89 p 11

[Text] New Delhi, May 4. If one were to vote for the best produced annual report among the reports for the year 1988-89 from all the departments of the Government, the annual report of the Department of Science and Technology (DST) would be a clear winner. The high production quality appears to be the result of the establishment of a new unit called the Office of the Public Affairs within the DST. However, it must be remarked that the use of English leaves much to be desired.

An attractive close-up of the magnetic levitation (the so-called Meissner effect) in the yttrium-based (1-2-3) ceramic oxide high-temperature (high-Tc) superconductor, developed at the Indian Institute of Technology (IIT), Madras, adorns the front cover. This is most appropriate as under the Rs. 15-crore National Superconductivity Programme (NSP) of the DST the success of the IITM project in developing the process for bulk synthesis of this yttrium-barium oxide compound marks a major achievement. This technique could lead to a production base for the compound.

According to the annual report, the Project Management Board (PMB) on superconductivity initiated the first phase of the NSP (1988-89), which involved about 55 groups and 30 institutes/organisations. The report has stated that research and development work was being intensified with emphasis being given to the equipment and the programme content in the lead organisations such as the Bhabha Atomic Research Centre (BARC), Trombay, the Bharat Heavy Electricals Ltd (BHEL), the Indian Institute of Science (IISc), Bangalore, the IITs, the National Physical Laboratory (NPL), New Delhi and the Tata Institute of Fundamental Research [TIFR], Bombay. Many university groups that are involved provide the broad base to the programmes and for manpower generation.

Encouraging results: Many encouraging results have been claimed in different high-Tc materials including thallium compounds. Apart from the work at the IITM already mentioned, other notable work has come from the TIFR, the BARC and the IISc. The most significant among these, in terms of original ideas and new concepts, would be the TIFR-BARC team's investigations on the magnetisation and critical magnetic field properties of high-Tc superconductors. A group at the TIFR has also succeeded in thin film growth of the 1-2-3 type of compounds. The IISc team led by Prof C. N. R. Rao has investigated several new oxide materials including nickel-based copper-less superconductors.

The progress of the various projects under the NP, both under basic research category and applications category, were reviewed on March 23-24 at the TIFR by the PMB. It was learnt that, of the Rs. 15 crores earmarked for the

three-year period, committed expenditure amounts to over Rs 11 crores. The NSP's budget for 1988-89 had been Rs 5.5 crores and the budget for 1989-90 is Rs 7 crores. The bulk of this money, has gone towards the purchase of sophisticated equipment most of which is yet to arrive.

Lack of equipment: The general impression given by the members of the PMB after the March meeting had been that it was too early to say whether there had been any real progress in the NSP or not mainly due to the fact that lack of equipment had slowed down much of the activity. For the same reason the review could not also evaluate projects to the extent of being able to suspend or end some of the projects and increase support to some. The same level of funding will be maintained this year too, and as the Chairman of one of the Task Forces said: 'Ask me at the year end.'

Efforts of the DST toward development of technology under its three schemes of engineering and technology, developments of instrument and technology missions and systems have produced some new results, according to the annual report. Notable among them is the contract with the Centre for the Development of Telematics (C-DoT) for the development of a parallel processing system (PPS) with a funding of Rs 4 crores. The PPS is a transputer-based machine linking 256 processors in parallel with an envisaged capability of 640 million floating point operations per second (MFLOPS) and peak integer rating of about 1000 million instructions per second (MIPS). The prototype with four processors is expected to be ready by the end of this month. The complete machine is expected to be ready by the year-end.

New products: Other technological products include an indigenously developed pin-on-disc machine for investigating wear characteristics of materials; an industrial wind tunnel set up at the Roorkee University for investigation of wind effects on civil engineering structures; design and fabrication of a hydrocephalic shunt; and the development of floor reaction orthosis for polio patients. Six instruments have been developed and made ready for commercialisation. These are grain moisture analyser, scanning electron microscope, infrared spectrophotometer, digital tide gauge, portable pH meter and seismograph.

The Sree Chitra Tirunal Institute for Medical Science and Technology, Trivandrum (an institution under the DST) has also planned for the pilot production of the hydrocephalus shunt. This is also likely to be taken up by the new facility at the institute's biomedical technology wing, a strategy which has already paid off with regard to other products like the Chitra oxygenator and cardiomy reservoir. The institute is also believed to have made significant progress in the area of polymers for medical applications and the development of delivery systems for medical applications of the neodymium-YAG laser.

New Indigenous Aircraft Carrier Ready by 1997
46001483 Madras THE HINDU in English
14 May 89 p 3

[Text] Visakhapatnam, May 13. The proposed aircraft-carrier for the Navy to be built by the Cochin Shipyard, will be ready by 1997. The vessel, with fully indigenous materials, is only a replacement for the aging INS Vikrant and not a third aircraft carrier, according to Admiral J.G. Nadkarni, Chief of the Naval Staff.

Talking to newsmen today Admiral Nadkarni, who was at the Eastern Naval Command to participate in the investiture ceremony, said the aircraft-carrier still in the conceptual stage, would be designed by the French collaborators for that purpose.

Though Pakistan was equipping its Navy with sophisticated equipment, he said the Indian navy "can always meet any challenge."

The Navy chief ruled out acquisition of any more nuclear-powered submarines like the INS Chakra. He said that INS Chakra was being used only for updating of knowledge and that it did not carry any nuclear weapon.

Admiral Nadkarni inspected a guard of honor and reviewed the parade at the impressive investiture ceremony. He also presented the Yudh Seva medal to four, Nao Seva Medals to 18; and Vishisht Seva Medals to 17. The Capt Ravi Dhir Memorial Gold Medal and the Lt V.K. Jain Gold Medal (both for 1988) were also given away.

Spring Wheat Procurement Expected To Exceed 1988

46001473 Bombay THE TIMES OF INDIA
in English 20 May 89 p 9

[Text] New Delhi, May 19. With the rabi marketing season only a little over halfway through, the wheat procurement has already exceeded last year's final level, strengthening the hope that about nine or ten million tonnes of wheat can be obtained for the central grain reserve.

Wheat procurement, till yesterday, was 7.23 million tonnes—over 1.36 million tonnes above the corresponding figure last year and nearly seven lakh tonnes higher than last season's total procurement of 6.53 million tonnes.

The marketing season this year is expected to extend up to the first week of June, thanks largely to delayed harvesting and a larger wheat harvest, estimated at over 51 million tonnes.

Significantly, the interest displayed earlier by the private trade in cornering the stocks seems to have subsided. On the whole, official agencies have managed to buy about

96 percent of the wheat arriving in mandis in Punjab and about 90 percent in Haryana.

Wheat procurement in Punjab, which is the largest contributor of grains to the central kitty, has also crossed last year's figure of 4.74 million tonnes. According to the latest figures, the purchases of official agencies in the state till yesterday amounted to 4.75 million tonnes. The procurement till this date last year was only 4.3 million tonnes.

Similarly, in Haryana, too, the last season's overall procurement level of 1.26 million tonnes has been exceeded this year by over half-a-million tonnes. The actual procurement in the state has already touched the 1.8-million-tonne mark (against 1.24 million tonnes last year).

UP which contributed only 5.21 million tonnes of wheat last year, has already procured around 6.21 lakh tonnes this season. Similarly, Rajasthan, which had failed to spare even a single grain last year, has managed to contribute about 53,000 tonnes of wheat.

It is now hoped that the buffer stock will be large enough to ward off speculative tendencies which inflate open market prices, it will also help sustain the public distribution system as well as employment projects where grains are used as a form of payment.

The government already had a little over two million tonnes of wheat in its kitty before the beginning of the current procurement season. If it manages to buy nine to ten million tonnes during the season its wheat stocks will mount to nearly 12 million tonnes.

Lok Sabha Speaker Accused of Connivance in Fodder Scandal

Opposition Writes to President

46001489 Calcutta *THE TELEGRAPH* in English
17 May 89 p 1

[Text] New Delhi, May 16: Nine Opposition MP [Member of Parliament]s have sought the President's intervention in asking the Lok Sabha Speaker, Mr Balram Jakhar, to step down because of his "involvement" in the fodder scandal and his "inadequate clarifications" to the House on the issue.

In a four-page letter to Mr R. Venkataraman today, the Opposition leaders sought a probe by the comptroller and auditor-general into the fodder controversy including Mr Jakhar's role in it. They said the Speaker should be asked to step down till the CAG [Comptroller and Auditor General] absolves him of the charges.

The letter said "leading newspapers and eminent personalities" had seriously questioned the propriety of the Speaker's conduct and the "weighty observations" could not be rushed aside by the "accident of a brute majority in the House on which Mr Jakhar seems to rely."

The letter said: "Beyond the walls of Parliament House there is the country and the world at large. Nothing less than the authority, prestige and credibility of Parliament itself are involved. As President you are part of Parliament and we thought it right to draw your pointed attention to the matter.

"We ask for two things: let the CAG investigate and establish the facts and let the Speaker stand down until the CAG submits his report and the House is in a position to discuss it. The CAG may be asked to make his report available by the first week of the next session of Parliament."

The signatories to the letter were Mr V.P. Singh, Mr Somnath Chatterjee, Mr C. Madhav Reddy, Mr Amal Datta, Mr V. Kishore Chandra Deo, Mr Vijay Kumar Yadav, Mr Piyus Tirkey, Mr G.G. Swell and Mr Amar Roy Pradhan.

They said the Speaker had not been able to "fully absolve" himself of alleged charges that he played a role in the "grant of exemption from custom duty of about Rs 3.5 crores to a commercial combine of Sanjeevani Fodders and Fometa India of a foreign national, John R. Brady; of false affirmation by the Speaker's organization, the Bharat Krishak Samaj," and the defrauding of the country of about \$3.6 million in foreign exchange. [The finance ministry is inquiring into the alleged scandal relating to fodder producing machines received by the Bharat Krishak Samaj as gifts, according to the parliamentary affairs minister, Mr H.K.L. Bhagat, reports UNI.]

The letter said the Speaker had admitted that he recommended exemption on the ground that the fodder-making machines would be gifted to the Bharat Krishak Samaj.

"Published reports, however, do not bear out the Speaker's claim. Fometa-Sanjeevani had borrowed loans from financial institutions in foreign exchange to import 50 Brady machines (actually 56 were imported)."

Jakhar Meets With Opposition

46001489 Madras *THE HINDU* in English
9 May 89 p 1

[Text] New Delhi, May 8. The Government will look into the controversial agreement between Bharat Krishak Samaj and Sanjeevani Fodders Production Private Limited and Fometa India Machines Private Limited for the supply of 50 imported fodder making machines and report back to the Speaker of the Lok Sabha, Mr Balram Jakhar. If necessary, the matter would be placed before the House.

This was decided at a meeting of nine leaders of Opposition parties with the Speaker in his chamber this

afternoon. Mr H.K.L. Bhagat, Minister of Parliamentary Affairs, and his Minister of State, Mrs Sheila Dikshit, took part.

Informed sources said that apart from clarifying that he was not involved in any "irregularity" in the import of these high quality machines, Mr Jakhar told the Opposition leaders that he had recommended the machines to the States because of their proven quality on the advice of an expert in farm equipment.

Mr Somnath Chatterjee (CPI-M) [Communist Party of India-Marxist] said at the meeting that it was not their case that Mr Jakhar was involved in any irregularity. They were pressing for a public clarification because the high office of the Speaker had been dragged into a controversy, affecting the dignity of Parliament. Hence it was necessary that the Speaker issued a clarification in the House.

Mr Indrajit Gupta (CPI) [Communist Party of India], Mr G.G. Swell (Cong-I dissident), Mr V. Kishore Chandra S. Deo (Cong-S) and some others made the same point in different words. Some of them were stated to be in favor of a House committee.

There was also an attempt to explain that Mr Jakhar had written to Chief Ministers in his capacity as chairman of the Bharat Krishak Samaj but it was pointed out that the recommendatory letters were typed on the Speaker's official stationery.

The thrust of the allegation was that on the strength of the Speaker's recommendation the importing company had secured customs duty exemption to the tune of Rs 3.6 crores. The entire money had gone into private pockets. Though supposed to be used by the Bharat Krishak Samaj for demonstration and training purposes, the machines were actually hypothecated to third parties.

'Did It in Good Faith'

The Speaker said that whatever he had done was in good faith; he had not himself seen the agreement that was entered into by the Bharat Krishak Samaj with the supplier and the importing agency. Since the Opposition leaders were not satisfied with the explanation, it was decided that the Government would examine the matter.

Others who took part in the meeting are Mr Madhu Dandavate (Janata Dal), Mr C. Madhav Reddy and Mr Raghunna Reddy (TD) [Telugu Desam], Mr Piyus Turkey (RSP) [Revolutionary Socialist Party] and Mr Amar Roy Pradhan.

Earlier in the day the Speaker, making his first reference to the controversy in the House since it erupted last Tuesday, said that immediately on receiving letters from two MPs, he called the Opposition leaders and placed the facts before them. He was under the impression that they were fully satisfied so far as his position was concerned.

In a similar situation, he recalled, one of his distinguished predecessors had made the following announcement in the House: "If I have done any of these things, certainly I should not be here in the Chair. I want it to be clarified. Therefore, besides the two members who have given notices—Mr Hem Barua and Mr Bagri—I would request some other leaders of the Opposition also to join in that group which I will request to see me, I will place all the facts before them."

Mr Jakhar said that he had acted in the light of the precedent and invited the Opposition leaders for explaining his position. Subsequently the same day, he had got another letter signed by some members (suggesting that he give a clarification in the House). He requested them to see him once again so that he could place "all the fact connected with my position before them and answer any and all the questions that they may pose to me."

Mr Jakhar assured them that if they were not satisfied even after discussing the matter with him a second time and wished to raise it on the floor of the House, they would be free to do so under the rules by bringing forward a motion for his removal. If necessary, the rule requiring 14 days notice to take up such a motion could be suspended. "I am a servant of the House and place myself fully in the hands of the great House."

PTI reports:

An MP, who did not want to be identified, said that since the Speaker had acted in good faith seeking exemption from customs duty for the import of the machines in the interest of farmers, it was necessary that the entire truth come out.

New Regional Party Established in Uttar Pradesh 46001474 New Delhi PATRIOT in English 2 May 89 p 8

[Text] Three hill organizations associated with the "Uttarkhand movement" in Uttar Pradesh have decided to merge to form a new regional party called "Uttarkhand Jansangharsh Vahini" to intensify their struggle.

In a joint meeting of representatives of the three organizations at Dehradun yesterday, "Uttarkhand Jan Parishad", "Uttarkhand Pragatisheel Yuva Manch" and "Uttarakhand Sangharsh Vahini" agreed to unitedly fight for their demands.

The new party would give its "full support to the left and democratic forces in their fight against the ruling party", a press release of the newly formed party said.

The "Uttarakhand Kranti Dal"—an independent hill party—has welcomed the merger move and also extended its cooperation to the new hill party, the press release added.

The new hill party would discuss the modalities of its constitution and the course of its strategy as regards the hill movement in a meeting scheduled to be held on June 17-18, the release said.

Punjab Governor Reports on Years of President's Rule

46001472 Madras *THE HINDU* in English
20 May 89 p 1

[Text] Chadigarh, May 19. Elections to the 13 Lok Sabha seats from Punjab will be held simultaneously with Parliamentary elections in other States, the Governor, Mr S. S. Ray, said here today.

Addressing a news conference on the completion of two years of President's rule in the State, he discounted the possibility of Assembly elections being held at the same time. Nevertheless, he said, popular rule had to return to the State as President's rule could not be prolonged beyond May 11, 1990. Panchayat elections in the State would be held in a staggered manner from June-end, he said.

The Governor, how is going on a tour of eight districts from tomorrow, to set in motion the newly-constituted District Development and Grievances Committee to curb excesses and corruption, highlighted the achievements under President's rule, both in law and order and economy. He referred to the security forces' successes against terrorists.

He affirmed that the fight against terrorists had reached a decisive stage, though not the "fag end".

Media picture untrue: Mr Ray regretted that the media picture of Punjab the outsiders got was that of a jungle, which was not the truth. He wanted more and more outsiders to visit Punjab to see for themselves the changed atmosphere. "Under President's rule, the number of innocent killings has undoubtedly gone up, but a new direction has been given to the battle against terrorists. The determination of the security forces and others concerned was not there before the President's rule. Also don't forget that many of the current killings are for anti-social reasons," he said.

The Governor noted that the terrorist groups had now been confined to a much smaller area. Of the 279 police stations, only 82 police stations had reported some terrorist activity since January last and even the Mand area had been cleared.

Areas of terrorist activity: He listed 16 police stations in Amritsar, Gurdaspur and Ferozepur districts where there was fear, terror and lawlessness. These "thanas" were: Jhabbal, Bhikiwind, Patti, Ajnala, Majitha, Voltoha, Tarn Taran, Sarhali (of Amritsar), Batala Sadar and Fatehgarh Churian (of Gurdaspur) and Makku, Zira, Khuian Sarvar, Dharmkot Mamdot and Guruharsahay (in Ferozepur). Special attention was now being

given to these. Evidently, the terrorists after being cleared from the Golden Temple complex had come to the area under these thanas.

"Wait and see" was his reply when asked how and how soon the security forces would show results there and then new recruitment to the terrorist ranks would end.

To repeated queries from journalists about when the problem of terrorism will be over, Mr Ray replied: "No sensible person would like to be an astrologer on this point. Look at Ireland. Even after reaching the decisive stage, the battle is not yet over."

Asked what was the cause of the better performance of the security forces in recent months, the Governor said: "One factor is cooperation and information from more and more people."

Public sympathy lost: The 'ultras' have forfeited public sympathy. They are in a very bad shape. We are dealing very firmly with them. It must not be forgotten by the media that publicity provides oxygen to the 'ultras' and keeps them alive."

Despite all this, Mr Ray said, the release of Mr Prakash Singh Badal and Mr Gurcharan Singh Tohra was not under consideration at present.

An opportunity lost: The Akali leadership, he said, had lost a glorious opportunity to start talks with the Centre on a political solution after the "Operation Black Thunder" had cleared the Golden Temple complex of terrorists and anti-national elements. It was the Government and not the Akali leaders, who helped restart the "maryada" in the Golden Temple. The Akalis totally misguided the public. The masses were solidly behind the Government in getting rid of the terrorists while the Akali leaders, instead of condemning the terrorists and their desecration of the temple, went on condemning the Government. Had they come forward for restoring the 'maryada,' they would all have been released," Mr Ray said.

Restoring 'maryada': Listing the achievements under President's rule, Mr Ray said that "Operation Black Thunder" could not have succeeded otherwise nor could the 30-metre area around the Golden Temple complex have been cleared. Daily offerings at the Golden Temple had dwindled to a few hundreds before the 'Operation Black Thunder,' but a single 'golak' (hundi) in Harmandir now yielded Rs. 33,000, making the area again a place of peace for the devout.

Economic base stronger: The economic base of the State had become stronger as was evident from the phenomenal increase in the business transacted at the Ludhiana Stock Exchange which now ranked fifth in the country in business turnover, Mr Ray said.

"We are leaving a good record—as good as that of Pratap Singh Kairon, for the future popular government to improve upon.

Paper Reports on Developments in Indo-Soviet Trade

46001470 *Madras THE HINDU in English*
22 May 89 p 7

[Text] New Delhi, May 21. A mid-year review of Indo-Soviet trade is scheduled to take place in Moscow early next month, to be followed by a visit of a large private sector delegation with multi-interest representation to the Soviet Union. The review will assess the trends this year.

A record bilateral target of Rs 7,000 crores has been laid down in the annual trade plan for 1989. This represents a 35 percent increase over the 1988 achievement of over Rs 5,200 crores and attempts are being made by the two countries to see that it is reached.

While the Commerce Secretary, Mr Amar Nath Verma, will lead the official delegation to the meeting of the Working Group on Trade scheduled for the first week of June, the Commerce Minister, Mr Dinesh Singh, is expected to be in the Soviet Union in the middle of June, basically to return the visit of his counterpart to India. A large private sector delegation will be in that country from July 24 to 28 to hold trade meetings as well as to participate in a two-day seminar on doing business with India. A similar seminar with a larger agenda of trade with socialist countries was held recently in New Delhi, under the auspices of the Indo-USSR Chamber of Commerce and Industry and sponsored by the United Nations Conference on Trade and Development (UNCTAD).

Team members: The private sector delegation will be led by the President of the Federation of Indian Export Organizations (FIEO). Mr Ramu Deora, and will comprise members of trading houses, export houses, consultancy firms, banks, State export corporations and individual exporters. From the Soviet side, the visit is being sponsored by the USSR Exporters Association and the Soviet Association for Business Promotion with India. This is in pursuance of a memorandum of understanding between the FIEO and the USSR Exporters Association signed earlier this year.

The FIEO President was in Moscow recently and held discussions with the Chairman, the Deputy Chairman and the Director-General of the USSR Exporters Association. According to the Assessment of Mr Deora, the seminar on doing business with India is expected to evoke a wide-spread response in view of the opportunities for bilateral trade and the participation is expected to be upwards of 500 for the two-day meeting.

A similar seminar-cum-exhibition on the specific subject of drugs and pharmaceuticals has already been held in Moscow from May 10 to 12.

New initiatives: In view of the high bilateral trade target set for the current year and in keeping with the economic changes in both the countries a number of new initiatives have already been taken with regard to bilateral trade and economic cooperation. The qualitative change that has come about in the economic relations of the two countries is the shift from pure commodity exchanges to setting up of joint ventures and production cooperation programmes.

As of now, some 55 joint ventures are on the anvil covering a wide range of activities. The Soviet Union has also agreed to make fresh investment in India and about 24 items have been identified in this respect. These include butyl rubber, magnetic ferrite, computers, electronic components, transportation services and jute products. In respect of investment in the Soviet Union.

Moreover, some 30 hotels are to be constructed in the Soviet Union by 1995 and Indian companies have already bagged the contract for the construction of three hotels at Tashkent, Samarkand and Bukhara. The Modi group is also in the process of setting up a large wood pulp project in collaboration with the Soviets with a large investment of Rs 800 crores.

Difficulties: Indo-Soviet trade, which has grown manifold over the years, ran into some difficulties with the excessive dependence of Soviet exports on a group of raw materials, the slow expansion of the range of exports and failure to put into wide practice the new promising ways of increasing the trade turnover. According to a consultant paper circulated at the New Delhi conference on trade with the socialist countries, it has become apparent that a further development and expansion of trade and economic cooperation will only be possible if a new qualitative dimension is given to it.

"Indeed, Indo-Soviet trade has now reached a level where conventional bartering can no longer help it grow. Faster trade growth between the two countries requires a wide exchange of modern technology and licenses, co-production, etc. The high level of development in industry, science and technology in the Soviet Union and India provides many opportunities for expanding cooperation," the paper notes. The structural changes in Indo-Soviet trade being introduced now are in recognition of this aspect.

Papers Report, Comment on Defense Ministry Annual Report

46001490 *Bombay THE TIMES OF INDIA*
in English 8 May 89 p 12

[Article by K. Subrahmanyam]

[Text] In this age of satellite photography with 0.5 to 1 meter resolution and total monitoring of communication and electronic intelligence by outfits like the national

Security Agency in the U.S. and GCHQ (General Communication Headquarters) in the U.K., the defence ministry's reluctance to take the country into confidence on the state of our armed forces is counter-productive.

Its annual report is a case in point. Most of it is repetitive from year to year except for the updating of figures. Even knowledgeable professionals have to try hard to extract nuggets of worthwhile information. This type of reporting denies our own policy-makers at the highest level a comprehensive and coherent understanding of our security environment and challenges, the totality of our defence capability in the current international environment, an understanding of the role of power and above all a sense of justified self-confidence.

Significant Power

A routine report on defence may have been justifiable in earlier years. Given the fact that India is now recognized as a militarily significant power and is spending a higher percentage of GNP [gross national product] on defence, there is need for a qualitatively different report in this era of increasing glasnost of defence matters all over the world. The compilation of a series of chapters, drafted individually at undersecretary level without thematic coherence or policy orientation, does justice neither to Parliament nor to the Indian tax-payer. Some information is no doubt offered but in a form that robs it of significance.

The chapter on the army mentions, for instance, that a new family of small calibre weapon systems has been developed through our own R and D. This is a reference to rifles and light machine guns of 5.56 mm calibre to which most of the modern armies of the world switched some time ago. The lighter weapons mean that a soldier is able to carry more ammunition. The switch was long overdue, but raises the problem of what is to be done with nearly 1.5 million 7.62 mm automatic weapons with the army, a they are phased out over the next few years. Exporting those obsolescent weapons is one of them.

A similar problem will arise when the new Sarath (BMP) vehicle replaces the current armored personnel carriers. The new vehicle would need new doctrines and tactics since India, apart from the Soviet Union and a few advanced industrialized countries, is one of the first to incorporate this weapon system into mechanized infantry units.

In the section on the navy, particular interest attaches to the establishment of a mobile missile coastal battery in Worli. Also noteworthy is the development of a naval surveillance radar designed to buck up very fast and low flying sea-skimming missiles, another achievement of indigenous R and D. Such a radar, combined with a quick reaction missile incorporating terminal seeker capability or with very fast firing guns with heavy metal projectiles, will be the standard defence for ships in future against missiles like Harpoon, Exocet, etc.

In the Air Force section, the report coyly mentions that low-level quick reaction missiles are being inducted but they are not identified. International publications list them as SA-6, SA-7, SA-8A and SA-9, all Soviet missiles.

There is a reference in the section devoted to R and D to the development of Trishul and Akash surface-to-air missile systems. The introduction of Indra I and Indra II low-level air defence radar marks an important stage in our march towards self-reliance, comprising the capabilities of India's high tech defence R and D. The report also emphasizes flight safety, a matter of intense concern in view of losses of valuable young lives and costly equipment.

The output figures in respect of ordnance factories are somewhat misleading. For 1987-88, the gross value of production is given as Rs 1,862 crores. This is an inflated figure adding up the output of all factories. It is necessary to eliminate the double counting arising from interfactory transfers to give the net value of output of ordnance factories as a whole. This figure is available in the budget document, and was only Rs 1142.57 crores in 1987-88.

In regard to orders placed by the ministry of defence on civil sector, mainly the private sector, the data in the report show a wide gap between the professions of the ministry and its practice. These orders have fallen from Rs 277.41 crores in 1986-87 to Rs 245.73 crores in 1987-88 and to a very low Rs 109.51 crores in the period up to February 1989. Since the orders precede supplies by two to three years, the fall in orders of last two years will lead to a lagged decline in procurement.

Gross Value

Sales of defence public sector undertakings totalled Rs 1865.56 crores, in 1986-87, Rs 2070.22 crores in 1987-88, and are estimated at Rs 2121.95 crores for the last year. But these are not for sales of defence equipment alone. As the report itself reveals, 40.55 percent in 1986-87 and 32.12 percent in 1987-88 were accounted for by items sold to civilian customers.

In the light of recent debate in the country on exporting defence equipment, it is interesting to note that exports of HAL are estimated at Rs 1.41 crores and of Bharat Electronics at Rs 3 crores in 1988-89. The exports of Bharat Earth Movers of Rs 53.64 crores relate to earth moving equipment, a civil engineering item. That gives an idea of the magnitude of the problem of defence exports.

The most important chapter in the report is about R and D. It mentions in barest detail a host of projects, among them the LCA (Light Combat Aircraft), the Arjuna tank, pilotless target aircraft, satellite image processing and communications with portable terminals, passive night vision devices for rifles and LMG [light machine guns], electronic warfare systems, omnidirectional low frequency sonobuoy system, and conversion of an ordinary torpedo

to a passive and active homing torpedo. These constitute an impressive list of achievements and efforts under way.

Among the more significant achievements are the Prithvi surface-to-surface missile and the far more ambitious Agni, though the latter has not been mentioned. There is a reference to work on a multibarrel rocket system for providing saturation fire effects with quick reaction time and high mobility. These systems in their normal configurations are already available from various countries for licensed production. One wonders whether the work relates to providing the rockets with longer range multiple categories of warheads in which case it would be a major R and D achievement.

The thematic incoherence of the report is highlighted by a summary of achievements which obviously has been added as an afterthought. It mentions cryptically the emphasis laid on force multipliers in the army, including the introduction of sophisticated command, control, communications and intelligence systems and electronic warfare capability. While it is justifiable to keep the latter under wraps, a more detailed account of the former would be justifiable if linked up with lessons learnt from the exercise "Brasstacks." That would have also helped to explain why such costly exercises are necessary.

Job Reservation

The report is a confession of failure of the ministry of defence to do justice to ex-servicemen. Approximately 50,000 other ranks and 1,200 officers retire annually, according to the report. In the last three years Central government departments, public sector undertakings, nationalized banks, para-military forces, defence security corps and ordnance factories all together recruited on an average of 9,600 ex-servicemen a year, or less than 20 percent. The report also mentioned that while this is the position in regard to resettlement of ex-servicemen by Central government agencies, the job reservation in the states varies from two percent to 20 percent. In a few states where the reservation for weaker sections already exceeds 50 percent, ex-servicemen do not get any reservation at all. It is quite obvious that their training, skills and discipline are not being adequately used for national development.

Army aid to civil authorities for maintenance of law and order has been widely commented upon by writers both at home and abroad. While the report does not give the number of specific instances, the army was called upon in 1988-89 to assist civil authorities for maintenance of law and order only in four states (Gujarat, J and K [Jammu and Kashmir], U.P. [Uttar Pradesh] and Assam) and in counter-insurgency operations in Tripura which have happily ended. On the other hand the Army and Air Force assisted in maintaining essential services and relief operations during national calamities in 11 states and Union territories. That should correct misgivings of people worried about an increasing involvement of the armed forces in maintenance of law and order and restore a balanced perspective.

Details on Missile Plan

46001490 Bombay THE TIMES OF INDIA in English
30 Apr 89 p 3

[Text] Bombay, April 29. The Defence Research and Development Organization (DRDO) has finalized the major technology elements of Akash, a surface-to-air missile and Nag, a third generation anti-tank missile system.

At present, the ground versions of these missile systems are being evaluated and further work about their development flights are being planned.

Giving details about the prestigious Integrated Guided Missile Development Programme (IGMDP), the defence ministry's annual report for 1988-89 states that after the successful first flight test, the design of various missile sub-systems of Prithvi, a surface-to-surface tactical battlefield missile, has also been finalized.

Proving flights for Trishul, another surface-to-surface missile, with the ground systems have also been planned by DRDO. A wheeled version of Trishul for multiple-launch capability is also being considered, the report states.

Conceptual studies have been carried out on the configuration for the hypersonic aerospace plane which can operate in dual propulsion mode, initially air breathing and later in rocket propulsion mode, using the on-board liquified oxygen collected from the atmosphere.

When the project was announced last year at the International Astronomical Conference at Bangalore foreign aerospace experts pooh-poohed the idea and said that it was not workable.

According to the report, Hindustan Aeronautics Limited (HAL) had made substantial contribution towards the Prithvi missile project. The missile, incorporating 52 major structural items manufactured at the Bangalore complex of HAL, and the actuators, developed by the Lucknow division, was successfully launched in February 1988.

The project definition phase of the light Combat Aircraft (LCA) programme has been completed and plans for the development phase have been evolved. Selection of vendors for the development of sub-systems and components will be completed soon. Work has also been started on the development of technologies for the aircraft's avionics, cockpit display and flight control systems.

The Pilotless Target Aircraft (PTA) is in the final stages of developmental flight evaluation which would be followed by trials. An indigenous flight simulator for the Ajeet aircraft has been evaluated and handed over to the users.

In addition to undertaking work on various aerospace projects, HAL has been diversifying into other areas.

More on Rocket Development

46001490 Madras *THE HINDU* in English
19 Apr 89 p 9

[Text] New Delhi, April 18. Reference to an as yet unknown programme to develop a multi-barrel rocket system (MBRS) has been made in the latest Annual Report of the Ministry of Defence made public here yesterday. The programme, covered in a shroud of secrecy until now is being run by the Defence Research and Development Organization (DRDO) which is also conducting the successful "Prithvi" programme for battlefield support missiles.

The report baldly notes that work on the Multi Barrel Rocket System (MBRS) is in progress. This system, termed SS-45 so far, pertains to the effort to make a contemporary multi-barrel rocket system that has been used with devastating effect by the Soviet Red Army since 1945. The system, which provides saturation fire at ranges of 20-30 km, is increasingly being viewed favorably by many countries. Currently the Indian Army fields the 24-barrel, truck-mounted 122-mm rocket system called the BM-21 made by the Soviet Union.

No clear parameters of the MBRS are available but they could vary from 225-mm rockets, fired through 12 tubes mounted on a tracked vehicle, or even heavier rockets fired through half the number of tubes which can be loaded automatically. It is believed that the intention is to provide a system that can fire at targets anywhere between 40-50 km. The goal is to provide a system that can hit targets beyond the range of the Bofors' howitzers which is 24-32 km and less than that of the Prithvi which is 150-250 km.

The U.S.-made MLRS [multiple launch rocket] system, for example, can in less than a minute fire a salvo of rockets sequentially to saturate a target area of the size of six football fields, 18,000 to 24,000 sq.m. The rockets have traditionally carried high explosives, but the trend is toward delivering hundreds of bomblets per rocket over the area.

A variety of munitions can be deployed including anti-armor and anti-personnel bomblets. According to specialists, one salvo of 12 rockets in one minute can have the effect of 20 numbers of 155-mm. Bofors howitzers firing four rounds per minute.

The MBRS type systems can go in and out of action, i.e., "shoot and scoot" with considerable rapidity. At their heart are new digital fire control and data systems which enables it to switch from firing targets deep in enemy territory to direct fire support. Their main purpose is to devastate the adversary's artillery assembly and base areas as well as surveillance equipment.

Regional Security Situation Noted

46001490 Calcutta *THE STATESMAN* in English
18 Apr 89 p 7

[Text] New Delhi, April 17. While expressing optimism for an improved global and regional security environment, the latter especially after Mr Gandhi's visit to Pakistan and China, the Ministry of Defence has reiterated the need for constant caution and vigilance in the protection of the nation. Its annual report, released today, draws attention to disquieting developments in the immediate neighborhood.

The chapter of the report entitled "National Security Environment" is generally considered to be the most authentic account of India's defence perception. And it makes it quite clear that despite the hopes of improved relations with China and Pakistan, action on the ground by both these nations indicate that there has been no let-up in the militarization of the region.

"China has continued to make progress in its modernization programmes, including its military capabilities. Significant progress in upgrading military technology, professional capabilities, and combat potential is claimed by the People's Liberation Army. The expansion of Chinese naval capabilities, especially with respect to power projection, was noteworthy.

"China continues to augment its military infrastructure and logistics in Tibet, apart from maintaining significantly high force levels generally, and inducting qualitatively superior equipment. It also claimed to have successfully exercised its military formations in different aspects of combat—including chemical warfare—in Tibet.

"There are some other disquieting features as well. China resorted to the use of force in trying to resolve the dispute concerning the Spratly islands. Its policy of arms supply to the countries of southern Asia has the potential to adversely affect the security environment in the region.

"China's sale of intermediate-range ballistic missiles to Saudi Arabia has also been a matter of some concern".

The report then goes on to mention the reasons for optimism for improved ties with both China and Pakistan, listing some of the agreements reached when the Prime Minister was there. It would view those developments as having established a base upon which something might be built.

Turning to Pakistan, the report says the country's "weapons-oriented nuclear programme and its ongoing military build-up continue to cause concern". It criticized the USA for remaining committed to supplying Pakistan with military hardware, despite its dubious nuclear policy.

Along with a substantially quantitative expansion of its forces, Pakistan has been acquiring sophisticated weapon system in its quest to achieve qualitative advantages in the region. Apart from acquiring high technology weapon systems from the USA and other Western sources. It has brought about a significant upgradation of its existing weaponry in collaboration with the USA, China, and other countries.

"Pakistan also continues its quest for highly sophisticated force-multiplier system, like the AWACS [Airborne Warning and Control System] and major combat systems like the M- Abram (tank).

"The recent acquisition of naval missiles, which have a range of about 100 km, poses a potential threat to our vital on-shore and off-shore installations. This has compelled Indian to focus attention on anti-submarine defence.

The newly elected Government in Pakistan has enhanced by 9.9

the budgetary allocations for defence during the year, over the revised estimates for 1987-88. The Government views with concern reports about growing Pakistani security linkages with U.S. CENTCOM [United States Central Command] and also with its erstwhile CENTO [Central Treaty Organization] partners".

The report continues that Pakistan's support for terrorist activities directed against India, the large-scale drug traffic and extensive proliferation of arms—substantial portions of which are believed to have been diverted from U.S. supplies for Afghan resistance groups in Pakistan—continue to cause grave concern. They tend to provide linkages between external and internal threats to our security".

Describing the situation in Burma as one of "serious upheaval" the report observes that "the present uncertain conditions have obvious security implications for India". Regarding Bangladesh, it assesses the situation as having stabilized, yet notes that "with the passage of the Bill of Islamization, the sense of insecurity among the minorities has increased. The Chakma refugee problem continues to remain unresolved".

Reportage on Investigation of Gandhi Assassination

Thakkar Interim, Final Reports

46001422 Bombay THE TIMES OF INDIA
in English 28 Mar 89 p 13

[Text] New Delhi, 27 March (UNI)—Following is the summary of the interim and final reports of the Thakkar Commission laid in parliament today.

"The Thakkar Commission believes that the assassination of the former prime minister, Mrs Indira Gandhi, could have been averted if officials concerned with her security had done their job properly. "If those who were responsible for the protection of the late prime minister had done what they ought to have done, what ought not to have happened, would not have happened," Justice Thakkar says.

"Top officials appear to have taken things for granted he says, and regrets the fact that no meeting appears to have been called at the ministerial level 'specially' to consider the matter pertaining to the security of the late prime minister in the face of the threat which loomed large in the wake of Operation Blue Star."

The two-part Thakkar Commission report describes in a 15-page section the sequence of events leading to the assassination of Mrs Indira Gandhi.

It pinpoints lapses and dereliction of duty on the part of several officials responsible for the PM [Prime Minister]'s security and indicts them for their failures.

"It investigates the security set-up around the prime minister as it was in 1984, and makes far-reaching recommendations to rectify the shortcomings.

"It examines the nature of medical attention provided to Mrs Indira Gandhi and makes recommendations on improving the system of emergency medical aid.

"The commission investigates the role of individuals, other than those directly accused of the crime and examines the possibility of a conspiracy or the involvement of foreign interests in the crime."

Assassination Preventable

Justice Thakkar recommends that the final report should not be made public on three grounds: "(A) that it would hamper the on-going probe of the investigating agency (the Special Investigating Team, headed by Mr S. Ananda Ram); (B) it would embarrass or prejudice those names in it since the observations made in the report have been made on the basis of material gathered in the course of investigations which precede an inquiry proper, and not on the basis of inquiry held by the commission as contemplated under section 8B of the Act or under rule 5 of the rules; and (C) because material in the report "touches on a number of sensitive matters which it may not be in the public interest to publicise at least for the present."

The Thakkar Commission report, comprising the 343-page interim report, submitted on 19 November, 1985, and the 314-page final report, including appendices, submitted on February 1986, was laid in parliament on 25 March 1989, in keeping with the assurance of 17 March 1989 in both houses of parliament by the prime minister, Mr Rajiv Gandhi.

The Thakkar Commission report says that if "high officials," who were aware of the threat to the life of the prime minister and about the possible and potential source from within the security set-up itself, had thought of ways and means of meeting the danger, scrutinised or reviewed the existing system and devised ways and means to plug the loopholes, "the unfortunate occurrence could have been averted.

The crime could have been averted if, specifically:

a) The decision of 10 June 1984 to remove Sikh security personnel from the close proximity of the prime minister had not been countermanded on 19 June 1984 by Mr R. K. Dhawan in the name of the prime minister.

b) Beant Singh's request to be posted at the gate, known as the TMC gate between I Safdarjung Road and I Akbar Road had not been accepted by the duty officer Chaturvedi, and his requests for a change of duty time from the afternoon to the morning had not been allowed.

c) Satwant Singh had not been permitted by head constable, Krishanlal, who had no authority to permit him, to change his duty from beat 4 of the TMC gate on 31 October.

d) The duty roster for the day had been inspected by SI Raghuraj Singh, who would have seen that Satwant Singh had been permitted an authorised change of duty.

The report also lists five other actions which, if taken, "perhaps" might have prevented the assassination.

One is—if reports recommending the transfer of both Beant Singh and Satwant Singh out of the PM's security on grounds of unsuitability had not been dealt with cursorily and casually by the higher officers."

Another is the lack of action following a memo sent by the Intelligence Bureau [IB] to the additional commissioner of police, Mr H.D. Pillai, after the hijacking of an IA plane to Lahore, in which a security guard at the Chandigarh residence of Mr Jagannath Kaushal, then Union law minister, was involved.

The memo, dated 19 July 1984, warned: "The above fact is significant relating to VIP security in that, posting of such elements on guard duties with VIPs, particularly the prime minister is fraught with danger and serious consequences." It went on to ask for the procedure adopted by the Delhi police for "verification of character and antecedents of police personnel deployed on security duties with the prime minister and in special security district/security unit... and keeping an eye on the activities of the staff posted on VIP security duties."

The Thakkar Commission finds fault with a number of officials concerned with the PM's security. Among senior officials, it indicts:

Senior advisor in the cabinet secretariat, Mr R. N. Kao for failing to raise with the PM the issue regarding redeployment of a sixty security personnel removed from positions of close proximity of the late PM.

A decision taken at the 10 June 1984 meeting held by Mr Kao and attended by all concerned senior officials;

Delhi police commissioner, S. D. Tandon, for failing to apply his mind fully and thoroughly to papers placed before him and issue necessary instructions for the reversion of antecedents of sixth security personnel at the PM's house and for keeping a watch on such personnel;

joint director, Intelligence Bureau, Mr S. Ramamurthi, for failing to have a watch kept on Sikh security guards assigned to duties within the PM's house when they were off duty, even though the danger from that source had been identified and had become known to him;

additional commissioner of police, Mr H.D. Pillai, for a casual and indifferent approach to the danger highlighted by the IB memo and failing to take appropriate measures for screening Sikh members of the security staff and keeping an eye on them, even after he was made aware of the danger from this source 3 months before the assassination;

deputy commissioner of police, Mr G.R. Gupta, who was responsible for security personnel at the PM's house for failure to re-verify personnel under him and scrutinise their records for reliability, for failure to keep an eye on them for the same objective, failure to disseminate intelligence contained in the IB memo and alert his staff and activate his intelligence cell, and failure to keep effective supervision and eliminate effectively the risk-ridden practice, by which security personnel were able to get their duties changed on a mutual basis which tantamounted to the negation of the system of allocation of duties;

personal security officer, Mr D.K. Bhatt (who was sent on an errand to I Akbar Road by Mrs Indira Gandhi) for failing to return in time to I Safdarjung Road, to be able to escort the late prime minister when she was proceeding towards I Akbar Road on the morning of 31 October 1984, which was his primary duty as her PSO [Principal Staff Officer].

Others found to be "amiss" in the discharge of their duties: Mr R.K. Ohri, ACP [Additional Commissioner of Police]; Mr S. Ramakrishnan, DCP [Deputy Commissioner of Police]; Mr S.S. Chaturvedi, SI [Subinspector (of Police)]; Mr Krishan Lal, head constable; Mr Raghuraj Singh, SI; Mr K. M. Mahajan, ACP; Mr Hakim Ali, ASI; Mr J. Khandulana, head constable; Mr M.L. Kararwal, ACP; Mr R. K. Sharma, ACP; Mr Nathu Singh, inspector; Mr Mahipal Singh, SI; Mr D.C. Gulia, ACP; Mr P.O. Kadian, deputy central intelligence officer; Mr Amarjit Singh, SI.

The Thakkar Commission identifies serious shortcomings in the security system to protect the prime minister in 1984. It speaks of a lack of commitment, and says officials were apathetic, shirked the responsibility of decisiontaking and indulged in red-tapism.

There was a failure to review practices and procedures to keep them in tune with the changing security environment, for example allowing change of duties without guidelines or approval of superiors, or giving security personnel other, non-security related errands.

Coordination was lacking between the Delhi police and the Intelligence Bureau and even within the security set-up.

The organisational set-up in the PM's house and the special security district was defective, with a relatively junior officer in charge. Postings to the security ranks were considered unrewarding and recruitment was made only from one source, Delhi police.

Instructions were frequently given orally to individuals, and there was no system of writing down instructions.

Recommendations for better security: Justice Thakkar draws attention to "the need for heightened awareness as regards the threat to the life of the PM in his/her capacity as the leader of the nation."

The report says: "The VVIP [very, very important person] has, therefore, to be fully alive to the danger or threat... and be amenable to all reasonable protective measures being adopted, even if the same appear to be irksome or embarrassing. By agreeing to such measures, a VVIP is very much security conscious or lacking in confidence or courage unbecoming of a leader in a democratic set-up. He may even be ridiculed or mocked at for putting himself in a security cocoon.

"On the other hand, if proper measures are not adopted it may still be said that the VVIP is conceited, arrogant, or over-confident, and is not amenable to advice from those entrusted with the task of protecting him, who know their job and know what is best from the security perspective. Neither praise nor censure, neither the lure of bouquets nor the fear of brickbats can be allowed to blur the vision of the VVIP or his judgement to take care of his or her person, regardless of whether the security measures appear to be excessive to some.

"No one has ever been able to please "all" or win the approbation of "all" whatever one does—how then can a VVIP be an exception to this truth? The VVIP has to be willing to adopt all measures considered essential for security purposes for, in a way even the life of VVIP is not his or hers..."

Acknowledging that the security setup for the prime minister was totally revamped after the assassination, Justice Thakkar sees the need for specially trained and

equipped security units at the state level, and says that there is a need to attend to VVIP security with a sense of urgency and without indulging in red-tapism.

His specific recommendations include:

A) The security unit at the PM's house should be headed by a specially selected official of the rank of IGP [Inspector General of Police].

B) The chief of security should have access to the PM and his advice should be accorded maximum weightage and due respect:

C) He should have a free hand and a wide choice in selecting personnel who may be drawn from different states and central police organisations;

D) Selection should be strictly on merit and suitability at all levels, preselection training may be imparted and taken into account;

E) To attract suitable officials handsome emoluments, good facilities and perquisites should be provided at all levels;

F) Chief of security should have a free hand in regard to induction and retention and periodic vetting;

G) Supervisory staff should keep a continuous watch on personnel working under them for reliability;

H) A pattern of deployment should be evolved instead of leaving it to the discretion of the duty officer;

I) Change of duty from one point to another should be prohibited;

J) Prohibition against posting other than indicated by duty officer;

K) A system of stand-by reserves;

L) Personal security officer of the VVIP must be tested for his reflexes and be given appropriate, regular training;

M) PSOs should shadow VVIPs and not be given other errands to run;

N) PM should wear a bullet-proof vest when chief of security feels it necessary;

O) Weapons with raid-fire capability should not be issued to persons manning positions in the PM house;

P) Except in minor day-to-day matters, instructions to security officials should be issued in writing, with signatures for restricted orders obtained in the instructions book;

Q) Effective liaison between Delhi police, IB and the Ministry of Home Affairs;

R) Bureaucratism and red-tapism should be eradicated in the area of PM's security;

S) Files pertaining to security work should be cleared at all levels without delay, in any case within a week;

T) The security unit of the PM is not an area for financial haggling, for no cost is too high for the protection of the chosen leader of the nation.

The Thakkar commission records failures in the provision of emergency medical aid at the PM's house and delay in summoning consultants at the All-India Institute of Medical Sciences following the assassination.

Between 9:12 a.m., when she was shot, and about 9:30 a.m. when she was seen by doctors in the AIIMS [All India Institute of Medical Sciences] casualty ward, she was provided with no medical aid whatever.

The report says that the doctor on duty, Dr R. Opeh, arrived when she was shot and undertook resuscitation measures immediately, but he failed to summon the ambulance or cause AIIMS to be alerted. Mrs Indira Gandhi was taken to AIIMS, not in an ambulance, but in an ambassador car.

Artificial respiration and life-saving drugs would have been administered at 9:15 a.m., had the ambulance stationed at the PM's house been used, rather than at 9:30 at AIIMS.

Consultants were summoned, but not before 9:40 a.m. because the telephone and not the paging system was used.

The commission records, however, that in the opinion of experts, given the nature of the injuries, "it would not have made any difference in so far as the ultimate prognosis was concerned."

In the opinion of six distinguished surgeons consulted by the Thakkar Commission, the attention given to Mrs Indira Gandhi at AIIMS was the "best" possible and "everything" was done in the "best possible manner."

The Thakkar Commission examined the possible involvement of persons other than those directly accused in the assassination of Mrs Indira Gandhi, particularly the role of Mr R.K., Dhawan, who was then special assistant to Mrs Indira Gandhi.

Justice Thakkar feels "he seems to have played a role in facilitating the crime committed by Beant Singh and Satwant Singh. The possibility of someone else being involved along with Mr Dhawan cannot be excluded. But the matter can be pursued further only in the light of further investigations with, a focus on Mr Dhawan."

It recommends that the "central government should seriously consider the question of appropriate agencies to investigate the matter as regards the involvement of Mr Dhawan, in the perspective presented in the report."

The report cites several factors or "suspicion indicators" which it believes point at the complicity or involvement of Mr Dhawan in the crime. They include:

A) Inconsistent statements regarding the change in time of Mrs Indira Gandhi's first engagement of 31 October 1984—A TV interview with Mr Peter Ustinov, fixed originally for 8:30 a.m. but changed by Mr Dhawan to 8:45 or 9:00. Mr Dhawan also raised the possibility of shifting the interview to 3 November. Justice Thakkar wonders if this was in order to get himself an alibi.

B) Instructions given to re-deploy Sikh security personnel in the PM's inner security. While it is not possible to verify if Mrs Indira Gandhi had, indeed, given Mr Dhawan such instructions, Justice Thakkar feels that it is "most unlikely that the late PM would have issued any such instruction" to post non-Sikhs with every Sikh, as claimed by Mr Dhawan;

C) Mr Dhawan was walking with the PM as they approached the TMC gate, but fell back just before the shots were fired; he said he was looking down at the ground at the moment. The report says: "It appears that he has been making a deliberate effort to emphasise that he had not noticed Beant Singh taking out his revolver from his hip pocket. This is another circumstance which points at his guilt."

D) Mr Dhawan caused an inquiry to be sent on the police wireless from AIIMS seeking information about the fate of the two assassins;

E) The existence of several notebook entries, including reference to Satwant Singh, foreign money, Giani Zail Singh, the CIA [Central Intelligence Agency], etc., by Mr Dhawan, which are suggestive and not adequately explained;

F) An article after the assassination by the BBC correspondent, Mark Tully, which says that Beant Singh was vouched for by a close member of the PM's staff. The report argues that the term "close member of the PM's staff" was being widely used to refer to Mr Dhawan. So there is reason to believe that Mr Dhawan vouched for Beant Singh;

G) Mr Dhawan kept secret instructions concerning her security from the PM, the report believes, and infers that he "was snooping or spying on the late PM and was acting as an informant for someone for some oblique purpose."

H) The PM reprimanded Mr Dhawan in September 1984, on the subject of Andhra Pradesh. Earlier, she had

wanted to replace him and Mr Shiv Shankar had sounded out some possible replacements to Mr Dhawan;

Mr Dhawan sought Mr Rajiv Gandhi's programme on 15 October, just 2 days before Beant Singh and Satwant Singh (on 17 October) discussed their intention for the first time.

Mr Dhawan was close to Beant Singh, as borne out by statements of various people, such as Beant Singh's widow, Bimal Khalsa and Satwant Singh. Justice Thakkar says that "the motive which operated on his (Mr Dhawan's) mind has not become sufficiently evident from the material which has come to light so far. All the same, a sustained and deep probe with a view to unearth the motive may well yield results in course of time."

The Thakkar Commission report says that there is no material indicating a firm conclusion, either way, regarding the involvement of any foreign agency in the assassination of Mrs Indira Gandhi, but it says there are "significant indicators."

The commission accepts Satwant Singh's confession and his motive. But says that this does not rule out the involvement of a foreign agency which may have used the two assassins as "unwitting instruments by an unseen hand."

The report says the assassins would not have perpetrated this crime after the lapse of such a long time after Operation Bluestar, unless they had some backing or assurance of some sort.

The report says that while the role of any foreign agency in destabilising India is not covered in the terms of the commission, it has gathered a great deal of material to show that a foreign agency has, in fact, played such a role by inspiring, encouraging, assisting and training the terrorists.

In the last chapter of the final report, entitled "conclusions, reflections and recommendations," Justice Thakkar recommends:

"That the central government should seriously consider the question of appropriate agencies to investigate the matter as regards the involvement of Mr R.K. Dhawan, the then special assistant to the late PM in the perspective presented in the report."

"That the central government may seriously consider the question as to the course to be adopted in regard to the matter pertaining to Mr Mark Tully, chief of Bureau of BBC (for declining to reveal the identity of the close member of the PM's staff)".

"That the central government may seriously consider the matter of the businessman from whom the blank letterheads with the name 'Republic of Khalistan' printed thereon were found, and do the needful if considered appropriate."

"That the central government give due consideration to the matter regarding terrorist training schools."

"That this report may not be made public for reasons specified in para 1.9 of chapter 1."

"This concludes this report."

Memorandum on Government Action

46001422 Calcutta THE TELEGRAPH
in English 29 Mar 89 p 7

[This is the text of the memorandum of action taken by the government on the recommendations of the Thakkar Commission, which was tabled in Parliament on Monday]

[Text] A commission headed by Mr Justice M.P. Thakkar, a sitting judge of the Supreme Court of India was set up on 20th November 1984 to inquire into the assassination of Smt. Indira Gandhi, the late prime minister [PM], on 31st October 1984 under Section 3 of the Commissions of Inquiry Act, 1952 (60 of 1952).

2. The Commission was required to complete its inquiries and report to the Central Government within a period of 6 months. The term of the commission was extended up to 31 March 1986.

3. The Action Taken Memorandum on the recommendations of the commission is attached herewith.

1. Interim Report—1.1 Security System

Recommendations

1. The security unit at the PM's house should be headed by a high official of the rank of IGP specially selected for the purpose by a high-level selection forum.

2. The chief of security should have access to the PM and his advice on security matters should be accorded maximum weightage and due respect.

3. The chief of security should have a free hand and wide choice in the matter of selection of personnel comprised in the security unit. The personnel may be drawn from different states and central police organisations on deputation basis.

4. Selection in the security unit should be made strictly on merit and suitability at all levels. At lower levels a preselection training may be imparted and in making final selections performance in the course of training should be taken into account.

5. In order to attract most suitable officials to man the unit they should be paid handsome emoluments and provided with reasonably good facilities and perquisites at all levels.

6. In regard to induction into and retention in the security unit *inter alia* on the basis of periodical positive vetting (including field checks) the chief of security should have a free and unfettered hand.

7. The supervisory staff should keep a continuous watch on the personnel working under them for reliability, reliability being a variable trait liable to change.

8. A pattern for deployment of personnel at individual duty points should be evolved instead of leaving it to the unguided discretion of the duty officer.

9. Change of duty point or duty shift by mutual arrangement between security personnel *inter se* should be absolutely prohibited.

10. There should be prohibition against making postings otherwise than as indicated in the duty list by the duty officer. Changes can be effected only by an officer two steps above duty officer for reasons to be recorded in writing.

11. There should be a system of stand-by reserves. If any member of the staff has a problem he should be replaced by drawing upon the reserves.

12. The duty officer should be of a rank higher than that of the staff to be deployed him.

13. The PSO [Principal Staff Officer] of the VVIP must be tested for his reflexes and given appropriate training at regular intervals.

14. The PSO should be a shadow of the VVIP and should not be entrusted with any errands.

15. When the situation calls for it and the chief of security so advises, the PM may wear a bullet-proof jacket.

16. Weapons with facility for rapid fire, like carbines, should not be issued to persons manning positions within the PM House where the VVIP would be frequently exposed to such personnel. For, even if they go off by accident with the VVIP around, it can endanger the security of the VVIP. Only weapons like revolvers could be issued.

17. Excepting in regard to day-to-day minor matters, instructions to the security officials should be issued in writing. If it is a 'restricted' order their signatures should be obtained in the instructions book, instead of giving oral instructions.

18. There should be effective (not merely formal or protocol-ridden) liaison between the IB and the MHA [Ministry of Home Affairs] and the Delhi police.

19. Bureaucratic methods and red-tapism should be eradicated in the area of PM's security.

20. Files pertaining to security unit should be cleared at all levels without any delay and in any case within a week by the person competent to give a decision on the subject.

21. There must be a realization with the holders of the purse strings that security unit for the PM is not an area for financial higgie-haggling for no cost is too high for the protection of the chosen leader of the nation.

Action Taken

The Thakker Commission had made a series of recommendations relating to security of the prime minister. Immediately after the assassination, government decided to take steps to tighten/improve the security set-up. A high level group headed by Special Secretary, MHA and comprising of senior officers handling VIP security was set up.

2. Pursuant to the recommendations of this Group, the government issued an order on 30th March 1985 setting up a separate specialised unit named the Special Protection Group [SPG] charged with the specific responsibility of providing proximate security to the prime minister and members of his immediate family. The SPG started functioning soon thereafter under an officer of the rank of Inspector General of Police supported by a complement of officers and other ranks drawn from various central and state police organisations in the country and selected after very careful screening.

3. In order to make service in the SPG attractive, adequate incentives were also incorporated in the conditions of service. Comprehensive training programmes with special emphasis on physical and mental fitness were prescribed. Procedures were also evolved for a very careful screening and periodic re-verification of the staff.

4. The Special Protection Group was statutorily made an armed force of the Union following enactment by Parliament of a legislation viz., The Special Protection Group Act, 1988 (No. 34 of 1988) dated 2nd June 1988. The Act came into force with effect from 1 August 1988.

5. The roles and responsibilities of the various security agencies in the country have been delineated in order to ensure their smooth and coordinated functioning. The subject of VIP security is continuously reviewed by the Intelligence Bureau and heads of the police forces in the states as well as at the Centre.

6. The security set-up of the PM as at present meets all the recommendations on this subject. The present set-up has, in fact, made further improvements over the recommendations. It is under constant review both in regard to procedures and implementation.

1.II Medical Attention Provided to the Late Prime Minister

Recommendations

1. The motorcade removing the injured PM to the AIIMS [All India Institute of Medical Sciences] took about 15 minutes to reach the hospital by reason of the fact that it had to face the peak hour traffic problems at intersections. In an emergency it should be possible to take the VVIP to the hospital without any loss of time and even the delay of a few minutes can stand between life and death. In order to resolve this problem it is recommended that a Traffic Constable should be posted at every inter-section point and he should be equipped with a walkie-talkie. He could switch off the traffic signals and control the traffic in flow in such a manner that the road to the hospital is cleared of traffic and the VVIP can be removed to the hospital in the shortest possible time in case of an emergency.

2. The record has revealed that the Emergency Medical Officer (EMO) on duty lost his presence of mind, became panicky and failed (1) to use the ambulance; and (2) to alert the AIIMS on wireless. So also the duty officer at the AIIMS failed to use the wireless paging system to contact the consultants for similar reasons. True, these are failures of the individuals concerned, but these failures would not have occurred if these officials had been involved in a test drill or an exercise in a simulated emergency situation where everyone was made aware of his role and the manner in which he was expected to act in an emergency. If such an exercise had been undertaken, the EMO would have responded in the real emergency exactly as he would have learnt to do in the simulated emergency. He would have known that the first thing to do was to send for the ambulance and to alert the AIIMS. So also the duty officer at the AIIMS would have known that the first thing to do on his part, on becoming aware of the emergency, was to use the paging system to summon the consultants. It is therefore recommended that such an exercise should be undertaken periodically and every official expected to play a role in an emergency should be involved in the exercise and properly instructed about his role.

3. It appears that a medical officer is in charge of the duty room and acts as a duty officer from 6:00 pm to 8:00 am. There is however no such arrangement for daytime between 8:00 am to 6:00 pm. The change of duty officer is given to the senior PA [Personal Assistant] to the medical superintendent who would in the normal course be busy with other matters. It is desirable that a duty officer should be in charge of the duty room round the clock. It is therefore recommended that a regular duty officer should be placed in charge of the duty room during daytime from 8:00 am to 6:00 pm as well.

4. Ambulance: Opinions of two eminent doctors as to how an ambulance is to be equipped for meeting an emergency have been obtained and are appended to

Chapter VI as Appendices C-1 and C-2. A comparison of this with the equipment in position in the ambulance at PM House (as on 31.10.1984) reveals that there is scope for upgrading the equipment. This may be taken into consideration.

Action Taken

1. The need for evolving a proper contingency plan for effective handling of medical emergencies involving the VVIP was given full and earnest attention by the government. A new comprehensive scheme prepared in consultation with director general of health services and senior officials dealing with VVIP security has been put into operation which takes into account all the shortcomings pointed out by Justice Thakkar. It provides for effective, timely and comprehensive medical care to the prime minister at all times. The scheme is under constant review.

2. Final Report

Recommendation

1. The Central Government should seriously consider the question of appropriate agencies to investigate the matter as regards the involvement of Shri R. K. Dhawan, the then Special Assistant to the late PM in the perspective presented in the report.

Action Taken

A Special Investigation Team [SIT] headed by an officer of the rank of Director General of Police and assisted by 1 IG, 3 DIGs, 3 SPs and 50 other officials was established on 15.11.1984 and was entrusted with the investigation of the crime of assassination of the late Smt. Indira Gandhi and the conspiracy, if any, leading to the crime.

2. The Thakkar Commission was appointed by the government on 20.11.1984. One of the terms of reference of inquiry by the commission related to the issue whether any person or persons or agencies were responsible for conceiving, preparing and planning the assassination and whether there was any conspiracy in this behalf; and if so, all its ramifications.

3. The SIT proceeded with the investigation and prosecution of the actual assailants and those directly involved in the act in the first stage of its task, while the investigation into the larger conspiracy behind the crime continued.

4. The final report of the commission covering the remaining two terms of reference was presented in February, 1986. The commission in its final report indicated that the suspicions recorded by it were based on material gathered by it in its "exploratory exercise" which did not constitute an enquiry under section 8(b) of the Commission of Inquiry Act. In the commission's view, the rest had to be done by the investigating agency.

The broad recommendations of the commission were conveyed by Justice Thakkar to DG/SIT for a further follow up.

5. In the 3 years since the submission of the final report, the SIT has continued the investigations into the larger conspiracy behind the crime and taking particular care to ascertain possible complicity of persons.

The SIT has now completed this investigation and has established the facts behind the conspiracy. Further follow-up action is being taken, according to the law, by the SIT. The complicity of Shri R.K. Dhawan was thoroughly investigated by the SIT. The SIT has concluded that Shri R.K. Dhawan had no hand in the conspiracy for the assassination of the then prime minister and that there is nothing to indicate that Shri R.K. Dhawan was, in any way, involved in the crime or the conspiracy.

Recommendation

2. The Central Government may seriously consider the question as to the course to be adopted in regard to the matter pertaining to Shri Mark Tully, Chief of the Bureau of BBC, in the light of the conclusion reached by the Commission herein above.

Action Taken

On verification, it was found that there was no such information that the intelligence agencies had warned the late Smt Indira Gandhi that one of her assailants had been contacted by extremists, as reported by Shri Mark Tully. Viewed in this background, no further action is called for.

Recommendation

3. The Central Government may seriously consider the matter of the businessman from whom the blank letter heads with the name "Republic of Khalistan" printed thereon were found, and do the needful if considered appropriate.

Action Taken

On verification, no link or connection between this fact and the assassination or conspiracy thereof was found. Hence no further action is considered necessary.

Recommendation

4. The Central Government may give due consideration to the matter regarding terrorist training schools.

Action Taken

The matter regarding terrorist training schools abroad has been taken up with the concerned governments.

Responses have been generally satisfactory. The matter is being constantly pursued through appropriate channels wherever necessary.

Recommendation

5. The report may not be made public for reasons specified in para 1.9 Chapter-I.

Action Taken

The interim report of the commission was submitted on 19th November 1985. The final report was submitted on 27.2.1986. Under sub-section 4 (of Section 3) of the Commissions of Inquiry Act, 1953 the reports were required to be laid on the Table of the House within a period of 6 months but Justice Thakkar had stated in the final report that the contents of the final report may not be made public. The reasons for this recommendation are given in para 1.9 of the final report. In May 1986 the Commission of Inquiry Act was amended by an ordinance which was subsequently made into an Act No 38 of 1988 dated 20th August 1986. A Notification was issued on 15th May 1986 and the same was approved through Resolution passed by the Lok Sabha on 30th July 1986.

Papers Report on Situation in Jammu and Kashmir

Farooq Warns Pakistanis

46001485 Calcutta THE TELEGRAPH
in English 8 May 89 p 1

[Text] Srinagar, May 7 (UNI): The Jammu and Kashmir chief minister, Dr Farooq Abdullah, today declared an open war on militants and warned Pakistan to desist from arming subversives or face the consequences.

Addressing an Id congregation at the sacred shrine of Hazratbal near here, he said if the Pakistan-trained subversives continued their militant acts in future, he would be compelled to use force, even the Army, to "crush them forever."

He said houses would be searched for militants and there should be no complaints later. "Anyone seen with guns in their hands will be shot dead," Dr Abdullah warned.

He said the Pakistan Prime Minister, Ms Benazir Bhutto, had given an assurance to the Indian counterpart, Mr Rajiv Gandhi, that she will not help Sikh terrorists. A similar assurance should be given by her with regard to Kashmir, he observed.

Dr Abdullah said those dreaming of making Jammu and Kashmir a part of Pakistan were "living in a fool's paradise." They would never succeed in their ugly designs, he added.

He said the subversives and their mentors should take note of how the "Khalistan" movement had died down. He would never allow a Punjab-like situation to develop in his state, he asserted.

The chief minister said tourism was the backbone of the state's economy. Because of the slump in tourism following violence, those who depend on the tourist trade had been harshly affected, Dr Abdullah said.

He asked shopkeepers not to heed the subversives' band call as his government would provide them protection in future.

'Farooq creating fear psychosis'

The Awami Action Committee chief, Mirwaiz Moulvi Farooq, today criticized the manner in which both the Center and the state government were trying to deal with the present situation in the Valley.

Addressing an Id congregation at the Jamia Masjid, he said the deployment to the armed forces and paramilitary personnel in the Valley had created fear among the masses, making the situation more explosive. He urged the Center to review the policy of "suppression" and make a real and positive approach to restore the "shaken confidence" of the people by adopting a policy of "true democracy and justice."

Moulvi Farooq said detention of youth without trial was unconstitutional and undemocratic. Condemning the recent communal riots in some parts of the country, he urged the Center to curb such recurrences with an iron hand.

Posters Against India

46001485 Calcutta THE TELEGRAPH
in English 15 May 89 p 1

[Article by Yusuf Jameel]

[Text] Srinagar, May 14: Posters calling for "jihad"—(holy war) against India have appeared in Srinagar as the four-day general strike called by some secessionist organizations over what they call police atrocities entered the last day today.

In parts of the old summer capital city which have been the heartland of the anti-India trouble-makers, small crowds of people were seen reading the posters written in Urdu and pasted on the electricity poles and the shutters of the closed shops.

One of them had been pasted at an outer gate of the city's Jamia (grand) mosque. When this correspondent asked a youth who was reading the poster what he felt about it, he disappeared without saying anything. But two other youths were unanimous that "whosoever is writing and circulating these posters is doing the right thing. The

message has to be communicated to all the people here and elsewhere in Kashmir."

The message of the poster is to "act before it is too late." It calls for a "jihad" against the "occupant forces"—that is the Indian army—who would some day "play with the honor of our mothers, sisters and daughters." It goes on to say, "Act before they do that. Tomorrow your hands will be tied and you will not be in a position to do anything." There was no one from the government to remove these posters. The muazzin called for the mid-day prayers and the crowds dispersed.

On the main road outside the mosque, dozens of armed Central Reserve Police Force (CRPF) men and those of the Kashmir police were deployed, many of them taking rest on the pavements. They were least bothered about the posters and the crowd which had assembled in violation of the prohibitory orders in force in this city of 800,000 for the past several months. Perhaps they did not want to provoke the crowd.

This correspondent was told at the nearby Nowhatta police station that the CRPF personnel were controlling the entire area and they were responsible for maintaining law and order. The local policemen would just guide them through the narrow lanes of the densely populated localities.

As we were talking to some policemen outside the police station which has recently become the target of the militants, a CRPF officer sitting in a jeep nearby ordered, "Stop it." But when we disclosed our identities, he quickly said, "Carry on."

The police have erected makeshift barriers in the entire city. Vehicles are searched and after dusk, people are stopped and asked why they are out of doors. It is only when the policemen are satisfied that they are allowed to proceed. In the past two days, massive combing operations have been conducted by the police in the localities along the Nallahmar road through the old city. A number of people have been arrested. They include low-level political activists, alleged harborers of militants and even relatives of absconding youths.

Residents have been complaining of police atrocities. Some people were forced to leave their houses while others left on their own. In front of the downtown Khanyar police station, trained commandos and police sharpshooters have taken up position atop the vacated houses as the militants have struck in this area with impunity in the past.

In Anantnag, Dr Qazi Nissar Ahmed bin Muhammad, leader of the Ummat-e-Islami, has last week announced that the people of the town had nothing to do with the general strike call issued by the Jammu and Kashmir Liberation Front (JKLF) and supported by half a dozen

other anti india outfits. But the townfolk ignored his plea and instead a complete shutdown is being observed in Anantnag.

Paper Reports Establishment of Board of Trade
46001481 New Delhi PATRIOT in English
9 May 89 p 9

[Text] The Government has constituted a board of trade to suggest ways to increase exports and minimize imports in consultation with trade and industry, reports UNI.

Commerce Minister Dinesh Singh and Minister of State P. R. Dasmunshi will be chairman and vice-chairman of the Board which will have a continuous dialogue with trade and industry in respect of major developments in the fields of international trade, an official release said on Monday.

The terms of reference of the board are:

- To advise the Government on policy measures for preparation and implementation of both short and long term plans for increasing exports in the light of the emerging national and international economic scenario.
- To review export performance of various sectors, identify constraints and suggest measures to be taken both Government and industry/trade consistent with the need to maximize export earnings and restrict imports.
- To examine the existing institutional framework for exports and suggest practical measures for reorganization/streamlining it with a view to ensure coordinated and timely decision making.
- To review the policy instruments, package of incentives and procedures for exports and suggest steps to rationalize and channel incentives to areas where they are most needed.

The 26-member board besides the chairman and vice-chairman, also includes Governor, Reserve Bank of India, Bombay, Secretary, Ministry of Commerce, Secretary, Department of Industrial Development, Finance Secretary, Special Secretary, MP [Member of Parliament]'s office (Mr M.S. Ahluwalia), president, FICCI [Federation of Indian Chambers of Commerce and Industry], president, Assocham, president, CEI [Confederation of Engineering Industry], and president, FIEO [Federation of Indian Export Organizations].

The board will have powers to co-opt additional members. The chairman of the board may also invite to the meetings of the board such others persons as may be considered necessary from time to time.

IRAN

Commercial Relations With Iran Seen Expanding
35190140z Paris LES ECHOS in French 3 May 89 p 2

[Article by Jean Michel Normand]

[Text] French-Iranian trade relations are healthier than diplomatic relations between the two countries. The French have just concluded several business deals totalling over 800 million francs.

The French businesses which, at the height of the Rushdie affair, continued to believe unwaveringly that French-Iranian economic relations will normalize, were apparently right. In spite of the diplomatic tensions between the two countries, three important contracts were concluded one after the other: the second part of the barter program (oil for agricultural products) has been concluded (30,000 tons of cattle valued at approximately 380 million francs), the delivery by Alsthom of five gas turbines (about 500 million francs) has been officially initialled, and Degremont will install one water supply unit (80 million francs). All this goes to prove, according to an official of one of the French companies involved, that the hazards of politics did by no means hinder the successful conclusion of these business deals.

The delivery of 30,000 tons of French meat constitutes the second part and, hence, the conclusion of the barter agreement which had allowed, last August, the lifting of the French embargo on Iranian oil imposed in 1987 by the Chirac government following that Wahid Gordji affair. Last summer, the Iranians acquired 60,000 tons of French meat, in addition to sugar and cereals (in February, France delivered 3,500 tons of wheat to Iran). In return, Iran placed at the disposal of France crude oil in an equivalent value.

This barter agreement, the first half of which was concluded in August, was negotiated over a period of several months by five French firms: Socopa, Soge-viande, la Compagnie Europeenne de Developpement, Louis Dreyfus and the Etablissements Biret. If the first part did not run into any particular difficulties, the second part, however, risks coming up against problems of supply; the offer of cattle, in its present state, could create some obstacles in the execution of this contract.

After having stumbled for a long time over questions of price, the first deliveries will nonetheless begin in the next few days, and should, if all goes well, extend over a period of 4 to 5 months.

When Roland Dumas made an official visit to Teheran at the beginning of February, the sale by Alsthom International of 5 gas turbines to the Arak petro-chemical complex was practically sealed. Yet, it has been officially finalized only these last few weeks. According to Alsthom, the turbines were to be model 6000 with a

35-megawatts power. The deal amounts to 500 million francs. The same Arak complex also allowed Degremont (an affiliated firm of La Lyonnaise des Eaux) to sign, at the same time, an agreement for the supply of a water system valued at 80 million francs. On the other hand, the negotiations initiated by Teheran for the purchase of three air buses (airplanes) are still in an impasse.

This "rampant normalization" of the commercial relations between France and Iran confirms that, despite multiple difficulties, the Islamic Republic is striving to accelerate the reconstruction of an economy which is in dire need of food products and energy. Moreover, the recent increase in the price of crude oil seems to have been exploited to the maximum by the Iranians who have already succeeded in rebuilding part of their oil production potential, thus allowing them to make more revenue than they had foreseen, according to estimates by some experts.

Now that the French ambassador in Teheran is due to return to his post quite soon, this revival in relations constitutes yet another encouraging sign for those French exporters—and they are more numerous than generally believed—who never gave up on the Iranian market ever since the cease fire with Iraq less than a year ago.

Chabahar To Become Major International Port
46000149a Tehran KAYHAN INTERNATIONAL
in English 20 May 89 p 1

[Text] Zahedan, May 19 (IRNA)—Chabahar Port, southeastern Iran, will operate as a freeport to compete with Dubai which acts as an export center for Iranian goods, the cabinet has approved.

Currently Iranian goods are transported to Dubai first where they are stored, packed to international standards and then marketed.

Traders in the UAE [United Arab Emirates] port also play an important role in arranging imports for Iran from Europe and Japan.

"A high percentage of exports and imports could be done directly by turning Chabahar into a freeport," said the governor general of Sistan-Baluchestan Province.

"This important plan will tremendously transform the province's economic outlook," he told the province's administrative council.

He said the cabinet last March approved the outlines of the plan which would be implemented when its details were drawn and accepted by the proper authorities.

Chabahar, about 130 km from the Pakistan border, is Iran's farthest port to the east on the Sea of Oman. In

recent years its harbor facilities have been expanded to become one of the country's major ports. Road links are also being improved.

A major military base is also located near by.

Iranians Abroad May Purchase Draft Exemption Cards

46000149b Tehran KAYHAN INTERNATIONAL
in English 27 May 89 p 2

[Text] Tehran, May 26 (IRNA)—A three-year draft exemption card would only be issued to Iranians residing abroad, the office of the acting armed forces commander in chief announced Friday.

Alireza Afshar, a deputy at the office in charge of manpower denied a report that those in the country would be exempted from the compulsory service by paying rials 1 million (\$13,500).

"This scheme is only for those abroad who have not reported to draft centers," Afshar said.

"Those eligible for military service who are abroad and cannot report to general draft centers before September a deadline can pay a deposit of 10 million rials or \$10,000 and postpone their compulsory duty for three years."

If these Iranians did not report for service or failed to pay the deposit they would face punishments specified bylaw.

The daily KAYHAN Thursday quoted the head of the draft service that draft exemption cards would also be issued to those eligible for military service inside the country.

Afshar added that to avoid such mistakes, any information about the draft situation must be checked with his office before they are published.

Commentary Favor Improving Relations With China

46000148b Tehran KAYHAN INTERNATIONAL
in English 11 May 89 p 2

[Text] The current visit to China by President Seyyed Ali Khamene'i and the high-ranking delegation accompanying him, apart from its diplomatic and political significance in light of Iran's strained relations with the West, should also be considered as a step in the right direction in terms of economics.

Majlis Speaker Ali Akbar Hashemi Rafsanjani's visit to China in 1985 was the first made by a top level official of the Islamic Republic to that country.

One wonders as to why the authorities of a revolutionary regime in Iran had overlooked the importance, rather the

need, to improve relations between two countries sharing primary objectives. China, notwithstanding its Marxist ideology, is as opposed to imperialism as the Islamic Republic of Iran is.

The Chinese President Yang Shang Kun rightly pointed out welcoming his Iranian counterpart, that in recent decades the two countries have been engaged in a constant struggle against imperialism and they have both partially succeeded in their campaigns.

In response Khamene'i stated that there was a new spiritual factor in mutual ties which is different from merely commercial relations. "We must look for the origin of this element in the Chinese Revolution and the Islamic Revolution in Iran," said Khamene'i.

As regards commercial relations, according to the official figures on the subject, mutual trade exchanges between China and Iran did not exceed US\$100m during the past eight months. It was also made known that concerned officials expect the volume of such exchanges would reach US\$600m. In view of these statistics, it can be asserted that very little attention was paid to improving commercial ties with China.

Of course Khamene'i must have been aware of this truth while he implicitly said that trade relations are a secondary matter. He talked about a new spiritual factor in mutual ties. If he had in mind closer cultural and political ties while uttering those words, then it should be stated here that unfortunately nothing much was done towards that end either.

The very fact that a high-ranking official of the Islamic Republic made a trip to China after about six years had past from the day the revolutionary regime came into power in Iran shows that our policy-makers were not seeing the world, we are living in today, with the correct, or at least, reasonably appropriate perspective.

Rafsanjani's 1985 trip is now, after about four years, followed by Khamene'i's. All signs are there that the Iranian statesmen have realized, though belatedly, that closer ties with a country which succeeded in reclaiming its due position in the international arena; despite all the obstacles in the way, are most desirable. Moreover, China's stance in the eight years of imposed war and its attitude towards Iran after it accepted Security Council Resolution 598 must be effective in making the Iranian officials rectify their outlook.

It should be noted that the recent attempts of the arrogant powers to initiate an anti-Iran stance at the Security Council after Rafsanjani called on the Palestinians to retaliate the Israeli brutalities reportedly failed because of China's refusal to see eye to eye with other members.

Nevertheless, the Iranian president's current visit to China should be looked at as a significant event. Significant not because there will be increased trade between

the two revolutionary countries, but because there will be more understanding between them as regard the common factors shared by both. Of course, the real significance is that the Iranian statesmen have apparently come to the conclusion that some basic changes have to be effected in the foreign policy of the Islamic Republic of Iran.

Commentary Criticizes Government's Anti-Inflation Campaign

46000148a Tehran KAYHAN INTERNATIONAL
in English 3 May 89 p 2

[Text] In early March, Tehran witnessed the start of yet another cyclical and sputtering campaign to bring the nation's economy into an ordered existence. As of today, that campaign seems to have wheezed to a halt.

Three weeks before the start of the Iranian New Year (March 21), a spate of newspaper articles appeared in the Persian press accurately reflecting growing public exasperation with the increasingly high cost of living. The situation was exacerbated by the New Year, Iran's traditional season for buying gifts for the children and entertaining guests in the home. Talk of price gouging and wages not keeping pace with objective economic reality was rampant.

Things had reached such a pitch that on March 11, Majlis Speaker Hashemi Rafsanjani made an appeal to Imam Khomeini for his direct intervention in solving the riddles of inflation and unemployment. The Imam held his silence.

On March 14, Supreme Court Chief Justice Musavi Ardebili announced a new law to control prices and combat overcharging and hoarding. The High Council of Expedience engineered the new ruling and it was said that the relevant magistrates and revolutionary courts would enforce stringent measures against those who violate the trading regulations.

This announcement in its turn, provoked another torrent of radio, television, newspaper and man in the street commentaries. Abrar recommended exemplary executions alongside the drug-traffickers to curb the tendency of the Iranians thinking wealthy elites play a role in government administration.

Resalat come down on the side of greater free market policies as the antidote to what it viewed as the national consequence of strict state control. The daily characterized the situation as a centralized state system abusing poor people to the accompaniment of supportive stage slogans. Ettela'at suggested that the best way to handle pernicious inflation would be to curb imports and encourage domestic production.

On April 7, pursuant to his earlier announcement, Ayatollah Ardebili said 7,000 price inspectors were to be

commissioned to control prices nationwide as per the provisions of the antiprofitteering and hoarding law. He noted that Islamic Revolutionary Courts and public prosecutors were authorized to handle related cases and issue sentences.

Two days earlier Prosecutor General Musavi Khoeniha, speaking in a press conference, had given what to date is probably the most prescient advice in the inflation war. He opined that overcharging cannot be solved by merely prosecuting profiteers. IRNA quoted him as saying, "Any punitive steps taken against traders and shopkeepers is not a solution to the said crisis."

Kayhan Farsi of April 29 ran as its first title, "7,000 Special Inspectors Begin Controlling Profiteer's and Hoarder's Activities," on the day the program was to be implemented. A first page title of the next day gave a heavy hint of the confusion rampant in the anti-inflation campaign: "Hoarders and Profiteer's Continue to Disrespect the Law."

What Kayhan's reporter related after a visit to the Central Headquarters for the Punishment of Hoarders and Profiteers in Tehran makes painfully clear that official pronouncement and saber rattling aside, calibrated and concise instruments to control inflation are still non-existent. The correspondent said he witnessed no sign of any initiatives against profiteering and hoarding at the center. He was told there would be another press conference to explain the situation at a still unannounced date.

As for the 7,000 inspectors, on the day they were supposed to hit the pavement they simply vaporized. Price rises did not follow suit however, as the offenders realized they were dealing with a paper tiger and gouged accordingly. Some shopkeepers even had the cheek to comply with the letter of the new stipulation by putting price stickers on their goods while flaunting the spirit of the rules by raising prices even higher.

One rule of thumb government officials would do well to remember before they restart the next cycle of the now moribund inflation war, is that the collective memory of the nation is perhaps longer than realized and rhetoric will never replace sound programming. Another point that comes to mind is the eternal Qur'anic question, "O ye who believe, why say that which ye do not do?"

NEPAL

Commentaries View Impasse With India

Indian Media Termed 'Callous'
46000154 Kathmandu THE RISING NEPAL
in English 9 Jun 89 p 4

[Editorial by Open Eye: "Indian Media—Holier Than Thou"]

[Text] The utter callousness with which the Indian media has been reporting on the events in Nepal is appalling.

Take, for instance, the case of the arrest and subsequent release on bail of Mr Rishikesh Shaha. Most Indian newspapers reported, either through their own correspondent or through Indian news agencies, that he was arrested for criticising the government in the context of Nepal-India relations and for criticising the Panchayat system. Many of those working for the Indian mass media have been in Nepal for quite a while and know perfectly well that the Nepalese have been freely criticising the government. Newspapers, day after day, have not tired of flaying the government, not merely on the question of Nepal-India relations but everything under the sun. The newsmen also know that there are persons in Nepal who, despite the people's verdict in the referendum, are not reconciled to the Panchayat system and they have not failed to hit out at the system whenever possible nor have the Nepalese newspapers failed to pick up their versions.

Twisting the Facts

Obviously, therefore, Mr Shaha was not arrested for the two points which the India press highlighted. The reason for the deliberate Indian twisting of facts is not far to seek. The Indian media wants to project Nepal as a country where there is no freedom to criticise the government. Unfortunately for the Indian press, Mr Shaha has been charged with subversion which has nothing to do with his criticism of the government or the system. Which is why there is absolutely no truth to the reasoning given by the Indian mass media for this arrest which, according to them, was "for his remarks against the Nepal government on relations with India."

The Indian media also highlighted the alleged human rights violations in Nepal as given out by Mr Shaha in India. The fact of the matter is that Mr Shaha, given to habitual sensationalizing, does not know what he is talking about. For this is the impression gathered by journalists when he held a press conference in Kathmandu some months prior to the Nepal-India impasse. When journalists cornered him at the press meet to name the 300 political prisoners, he not only could not do so but arrogantly refused to answer the question while another of his colleagues brought down the figure to less than 60. The Indian press, of course, did not cover the Shaha press conference then but when Mr Shaha went to Delhi in the midst of the Nepal-India stalemate and again aired his views, the Indian press grabbed the opportunity and played up his views which just a few months earlier were not suitable enough to find a place in the Indian media. This, of course, made Indian champion the cause of human rights in Nepal while its own human rights record has been less than satisfactory as can easily be seen in the Amnesty International's reports not only with reference to its role in Sri Lanka but also in India itself. The typical Indian reaction is reflected in the reply of the Indian High Commission (Embassy) in London to Amnesty International.

The Indian High Commissioner (Ambassador) in London, Mr M. K. Rasgotra, who at one time also served as

his country's envoy to Nepal, is reported to have said, "India is a free and open society and we are answerable to our own people—not foreign organisations." And foreigners, one may add. Yet persons in India have the audacity to cry hoarse when it concerns countries like Nepal. One would wish that the pot would stop calling the kettle black. The holier than thou attitude on the part of the Indian media must cease.

The credulity of the Indian press is indeed astonishing for because of the financial resources at its disposal one would have thought that it would refuse to accept things at their face value. Yet this is exactly what is happening. Take, for instance, the "leak" in the Indian press of the Nepalese draft of the trade treaty—supposed to be secret—and the provision therein for trade with India on MFN [most-favored nation] basis with convertible currency as the mode of payment. As far as that went, it was fine but it did not go very far. Quite apart from the Indian "fears" that Indian goods exported to Nepal would find their way back to India (an unlikely event because for most of the goods the custom tariff would more than compensate for the withdrawal of excise and other Indian duties), questions have been raised about Nepal's wanting to take advantage in terms of border trade. Take the case of India-Bangladesh trade, the bilateral trade between the two countries takes place in hard currency but border trade is in local currency. India will not be doing Nepal a favour by agreeing to border trade in local currency as this is a common practice everywhere. But an impression is sought to be created that by proposing border trade in local currency, Nepal is taking "undue" advantage and the Indian media has incredibly swallowed this official Indian line hook, line and sinker.

The Indian press has also been highly critical of Nepal appraising the Nonaligned foreign ministers meeting in Harare about the situation prevailing in Nepal as a result of the unilateral Indian action since 23 March. One wonders what one were to do in Harare if nothing substantial were to be talked about. Nepal should have talked about the situation in South Africa, about Namibia, about other abstract things like colonialism and imperialism, about new international economic order or what have you under the sun expect the situation in Nepal brought about by the Indian action as well as impediments being faced by Nepal in giving a practical shape to its being truly nonaligned.

Nepal's Permanent Representative to the United Nations met with Secretary-General Javier Perez de Cuellar in New York the other day and appraised him with conditions prevailing in Nepal and this brought about instantaneous reaction in the Indian media criticising Nepal for this. To meet with Indian approval what Nepal's Permanent Representative should have done during his meeting with the Secretary-General was to tell him about the fine weather Nepal is experiencing with fairly generous sprinkling of rain which helped in tiding over difficulties to some extent in power supply but

never, never should he have talked about the untold hardship to the Nepalese people which the Indian action has subjected them to.

According to the Indian press, it was a grievous sin on the part of Nepal to acquaint the UN Secretary-General with the situation prevailing in Nepal. It does not cut any ice with the Indian press when Nepal's Permanent Representative tells them, in answer to a query if Nepal sought any help or intervention of the UN to resolve the issue, that the only purpose of his meeting with the UN Chief was to keep him informed about Nepal. Our ambassador at the UN further told the UN Chief that Nepal wished to resolve the issue peacefully through bilateral negotiations with India. The Indian press saw this as Nepal's move to internationalize the issue.

No Response

The fault-finding nature of the Indian media, it seems, will never be completely wiped off. It found fault, for instance, in the U.S. call on India to break the impasse with Nepal. According to the HINDUSTAN TIMES, India was intrigued by the U.S. call as "India had all along been only too willing to enter into such a dialogue." Well, it's almost two weeks since Nepal put forward concrete proposals for talks, what has been India's response? Nothing so far, except again finding fault with Nepal's proposal itself. What happened to the much touted India's "willingness to enter into a dialogue"? I think it will be best if we leave it to the Indian media to answer this.

Indian Media Said Falsifying Reports

46000154 Kathmandu THE RISING NEPAL
in English 26 May 89 p 4

[Article by Prof Yubaraj S. Pradhan: "Indian Press—Fictitious and Mischievous"]

[Text] Since, and even a few months before, the present impasse between Nepal and India, some Indian dailies and periodicals have been flooded with articles, letters and news dealing with this or that aspect of Nepal-India relations. Whatever may be their content, with a few exceptions, of course, they seem to be all directed towards one end: the exhibition of the Big Brother attitude and trying to ride roughshod over the wishes and aspirations of the people of Nepal. They are all calculated not only to create and extend, but also stabilize India's desire for regional hegemony in the part of the world which some people with obsession enjoy calling the Indian sub-continent, for a kind of imperialistic tinge and satisfaction is attached to this phrase. The periodic appearances of mischievous news in otherwise very reputed publications like the TIMES OF INDIA since long before the expiry of the Trade as well as Transit treaties point to the fact that it was well thought out and an organized move to delay the signing of the treaties on one excuse or the other, allow them to expire, and prevent essential goods from getting into Nepal, thereby

causing so much of hardship and harassment that Nepal should have no other option but to bow down to the hegemonic ambition of India and accept all the terms she desires to dictate. Apparently, an independent organ, the TIMES OF INDIA is owned by some big business house, which, for the promotion of its business interest, has to toe the line of the people who exercise authority and power. Thus, most of the news and views appearing in the paper, instead of being the public opinion, are, in fact, messages the Government of India wishes to convey to Nepal. This is the only plausible explanation of a number of nasty, irrational and quite distorted news and views getting into print in such prestigious newspapers. The baseless and mischievous news or materials based on deliberate distortion of facts, published in the Indian newspapers, especially the TIMES OF INDIA, are too many to be counted. This article proposes to analyze just a few of them.

It has been repeatedly pointed out that "the people of Indian origin and Indian citizens living in Nepal were being discriminated against," and that "India would also take into account the interest of its citizens and the people of Indian origin living in Nepal." This version is not founded on fact. Of course, the citizens of India cannot be put on an equal footing with the citizens of Nepal. The citizens of a country have, undoubtedly, more rights and privileges than non-citizens. In India, a Nepalese citizen cannot get the same rights and privileges as that of Indian. But this should not be called a policy of discrimination. This is something natural and an accepted policy everywhere. If the Government of India means that an Indian citizen is entitled to all the rights and privileges enjoyed by a Nepalese citizen in Nepal, then it will be asking for too much. It will be sheer highhandedness. Otherwise, there is no such thing which could be called discrimination against Indian citizens, who command a lot of love and respect in this country.

Nor is there any discrimination against the Nepalese citizens of Indian origin. In the first place, "Indian origin" is quite a vague term. A large number of non-Madhesias, too, trace their descent back to the Aryans of India. However, they don't look like the Madhesias, (a term derived from Madhya Asia) because their forefathers came to Nepal many centuries ago, whereas the Madhesias, look like the villagers of Bihar and U.P. [Uttar Pradesh] because they are the Nepalese ranging from first to fifth generation. Even if, by the term "the people of Indian origin," the Government of India means the latter group of people who came to Nepal in the not-too-distant past, the charge of discrimination is not tenable. Neither by law nor in practice, is there any policy of discrimination against them. If their qualifications and ability allow, they are entitled to, and have actually held, the highest political and administrative positions in the country. From this group, there have been Chief Justices, Chairmen of the Raj Sabha, Ministers, Rastriya Panchayat members, Ambassadors, Secretaries, Zonal Commissioners, Chief District Officers, professors, high-level technicians, pradhan panchas of

the town and village panchayats. They are, *de jure* and *de facto*, genuine Nepalese and so treated in all respects. There is no discriminatory policy against them. They obtain citizenship certificates as easily as any other Nepalese. As they are a majority in the Terai belt, i.e. southern plains bordering India, they have occupied most of the panchayat chairs, and, by virtue of their position, are empowered to recommend who should be granted citizenship certificates. This is a long-established practice, and not just a strategem devised in the wake of the current blockade enforced by India against this country. Let anybody enter any part of the Terai belt, meet people at random and discover for themselves the truth regarding the issue of citizenship certificates. His late Majesty Prithvi Narayan Shah the Great, the founder of the Kingdom of Nepal, said that Nepal is a garden of the people belonging to four classes and 36 castes, whereby he implied that the highly placed officials should be fair in dealings with all sections of the people and have prejudice against none. All his descendants take his words as commandments to be strictly followed. The people called by the Government of India as "people of Indian-origin living in Nepal" are actually the citizens of Nepal, and we know how to take care of them. It is none of the business of the Government of India, just as it is none of our business to look after the interests of the people of Nepalese origin living in India as Indian citizens.

Much ado is also being made about the "enforcement of the work permit system for the people of India." There is no valid ground for the Government of India to take offence at it, for the rules and practices undergo changes with the passage of time. There was a period when population was thin everywhere. There used to be a vast expanse of uncultivated land, and as much of land as you could encircle and cultivate was yours. But this is not possible in modern times when life has become very hard and competitive with an increase in population at a rate dangerously fast. Until a few decades ago, immigrants could be accommodated because the country was then free from the problems being created nowadays by over-population. We even used to import brains from India in the form of language and science teachers, doctors, engineers, administrative advisers, etc. But things have changed now. We have our own problems. We have not been able to give employment to thousands of Nepalese graduates and quite a large number of doctors, engineers and other technicians. Under these circumstances, immigration rules are bound to be stricter than before. This is the case everywhere, in the UK, the United States, Canada or Japan. The contemplated provision of work permit rules is not to jeopardize the interests of the Teraians, who are already citizens by the law of the land, but to put on record the entry of aliens, irrespective of their being of Indian or Nepalese origin. It signifies that these aliens have got permission to work and win their bread in Nepal, but they are debarred from the right of saying one fine morning that they are Nepalese citizens. "Thus far, and no further," is our policy in this regard. If we don't pursue this policy,

Nepalese will be soon outnumbered by aliens, which, in the not-too-distant future, will give rise to various problems of the kind that we have been seeing in Sri Lanka. If, by opposing the work permit rules, India wants to precipitate this very situation, this will be nothing short of imperialism in disguise. It is hard to believe that this can be the ulterior motive of India. If it is the other way round, i.e. the Nepalese going to India for temporary employment, India is not going to lose anything. A few Nepalese in India will be like a few drops in the ocean. Even then, we won't mind if the work permit rules are applied to Nepalese who have not already become, nor entitled to be, Indian citizens.

The next thing that has produced much of rage and rancour in the obsessed Indian minds is Nepal's purchase of Chinese arms. It has raised a lot of alarms, so much so that the Indian Press, on behalf of the Government of India, has been trying to give the impression that it has posed a great security risk to them. It is being said that "India will take into account its paramount security interests while formulating its Nepal policy." We don't mind India to have this policy, but we fail to understand how Nepal's possession of a few truckloads of arms and a handful of anti-aircraft guns are going to jeopardize the "security interests" of India. She should not be so unreasonable as to deny Nepal the right to look after her own security interests, which, of course, necessitates the possession of arms—Chinese or non-Chinese. And what's there in a name? There is nothing special about the Chinese arms, and the word "Chinese" should not be the cause of so much alarm. And if the Indian minds have a phobia of the word "Chinese," we are not in any way to blame. Probably they may say: "Chinese arms are understandable, but why anti-aircraft guns?" The answer is just plain and simple. In every society there are disgruntled political and anti-social elements, which can send mercenaries by land, sea or air to cause disruption in the country. This is one of the impacts of science on society, and the governments of today must be prepared to face such eventualities and try to forestall or counter-act them.

In fact, this new obligation of modern governments isn't so in a way linked with Nepal's desire to be declared a Zone of Peace. Someone may ask: "When China and India are both friendly to Nepal and have no designs against her, why has she been insisting on it?" In the first place, it is an extension of the policy of Nonalignment. If some dispute arises between these two on-the-way-to-be super powers, we won't take sides. We would like to remain nonaligned and ensure that Nepal is not made the cock-pit of these giants. We want an assurance from both powers that they will allow Nepal to remain as a Zone of Peace. When King Prithvi Narayan Shah the Great used a metaphor to describe the geopolitical situation of Nepal by saying that "Nepal is a yam lying between two boulders," he had visualized this very thing and warned his progeny to be always on their guard against this eventuality. Secondly, once India accepts Nepal as a Zone of Peace, which China has already done,

it will be incumbent on both the powers to see that their territories are not used by mercenaries to pose a threat to the territorial integrity of Nepal as envisaged above. With this assurance, we can devote our entire attention to developmental activities, which are so imperative to raise us from the backward state and help us to catch up with time.

Editorial Calls For Dialogue

46000154 Kathmandu *THE RISING NEPAL*
in English 16 Jun 89 p 4

[Editorial: "Dialogue Is the Key"]

[Text] It has been Nepal's ardent desire right from the beginning to seek a mutually acceptable solution to the current impasse in Nepal-India relations through dialogue. The tension that brewed in the wake of India's non-compliance of Nepal's request to conclude two separate trade and transit treaties and the resultant stoppage of the supply of various essential goods to Nepal led to the marring of an otherwise very friendly and cordial relations between the two countries. Raising of the other issues by India that were totally irrelevant to the trade and transit matters only contributed to complicate the bilateral relations. Anxious not to let the things come to such a pass, Nepal, on its part, had all along been for early talks with India to resolve the contentious issues. Such gesture has, however, yet to be reciprocated by our southern neighbour notwithstanding the empty rhetorics about its willingness to come to the table. But there has been no change in Nepal's stance on the question of negotiated settlement to the various problems as was made clear Wednesday by Foreign Minister Shailendra Kumar Upadhyaya at the concluding session of the teacher's symposium on Panchayat. As the Foreign Minister said, the interest expressed by Nepal for talks with India on various problems remains undiminished because Nepal had always believed that any kind of problem can be solved through a dialogue.

It needs no reiteration that an early and amicable solution to the disputes between such close and friendly neighbours as Nepal and India always serves the best interest of both countries. The bigger and powerful party of the two should assume more responsibility in this regard instead of resorting to delaying tactics. Nepal and India have helped each other in various sectors over the years. If India has provided valuable economic cooperation for [word missing] Nepal will always remain grateful. The former should also realise that Nepal has also helped India in many matters even when, as the former Prime Minister Kirti Nidhi Bista said at a seminar Wednesday, this meant inconvenience to itself. Nepal has not done anything to alienate India and expects the same level of reciprocity from the latter in this regard. As former Prime Minister Bista said, India should play a more positive role in improving cooperation between the countries instead of trying to impose its will disregarding Nepal's legitimate aspirations. At a time when even the

trouble spots of the world are heading towards an atmosphere of reconciliation letting tensions continue between two neighbours like Nepal and India, which are bound by close traditional, cultural and social ties, is not desirable at all.

Commentary Urges Maintenance of Friendship Ties

46000154 Kathmandu *THE RISING NEPAL*
in English 8 Jun 89 p 4

[Commentary by Dr Shyam Kant Silwal: "Nepal-India Relations—Need for Dialogue"]

[Text] The expiry of the trade and transit treaties between Nepal and India has caused great hardships to the Nepalese people. Nepal's stand that transit rights for a land-locked state from a neighbouring coastal state is a recognised principle of international law is both legitimate and just.

Provisions

There are several provisions in international law which provide legitimate rights to land-locked countries for transit.

The Convention and Statute on Freedom of Transit, Barcelona, 20 April 1921, provides that persons, baggage and goods, and other means of transport, shall be deemed to be in transit across territory under the sovereignty or authority of one of the contracting states when the passage across such territory, with or without transshipment, warehousing, breaking bulk or change in the mode of transport, is only a portion of a complete journey, beginning and terminating beyond the frontier of the state across whose territory the transit takes place.

The United Nations Conference on the Law of the Sea, Geneva, 1958 clearly states that in order to enjoy freedom of the seas on equal terms with coastal states, states having no seacoast should have free access to the sea.

The United Nations Convention on the Law of the Sea, 1982, provides that landlocked states shall have the right of access to and from the sea for the purpose of exercising the rights provided for in the present convention including those relating to the freedom of the high seas and the principle of the common heritage of mankind. To this end, land-locked states shall enjoy freedom of transit through the territories of transit states by all means of transport.

Consequently, keeping in mind the bonds of friendship subsisting between the countries, international law, and the SAARC spirit, the transit rights of Nepal must be accepted by her largest trading partner, India. If she feels Nepal has violated any law relating to trade and transit, this should be brought before the concerned authorities or before the people of Nepal so that the peoples of both countries understand the gravity of the problem.

The present strains in Nepal-India relations are bad enough but it will be worse if either side were to get itself locked in a rigid stance that inhibits the search for solutions.

It is a matter of satisfaction that from Nepal's side there have been attempts to normalize the situation before and after the expiry of the treaties. The Foreign Minister, Mr S. K. Upadhyaya, during his visit to India in the last week of March, had formally requested to apply the provisions of the old treaties until new ones were signed.

The Government of India, one of the architects of SAARC [South Asian Association for Regional Cooperation] and a great supporter of a constructive structure in international relations, should know that due to the present strains in Nepal-India relations, the common people of Nepal are suffering from a shortage of most essential daily goods. Therefore, it is the duty of a big country like India to show sympathy and reopen all the entry and exit points as it was before the expiry of the treaties.

For centuries Nepal has been following an independent foreign policy in accordance with her geopolitical context. She opposes all forms of foreign domination and speaks for the right of every country to develop its own social and political system independent of all outside interference.

His late Majesty King Prithvi Narayan Shah the Great who unified the country into a solid single entity, had rightly termed Nepal as "a yam between two boulders." Sandwiched as she is between two giant neighbours of Asia, India and China, which have different political and economic setups, Nepal cannot afford to tilt to any one of them, a move which may only give rise to the threat of her very survival. So it is but natural for the peace loving people of Nepal to breed a desire to make their motherland a Zone of Peace.

The fundamental objectives of Nepal's foreign policy are to preserve its independence and territorial integrity and promote national peace and security by maintaining friendly relations with all countries, especially with the immediate neighbouring countries, on the basis of peaceful coexistence and Nonalignment.

The proposal that Nepal be declared a Zone of Peace clearly elucidates the compulsion behind the need for a development-oriented foreign policy, which will have a positive bearing both at home and abroad. This proposal is a noble and brilliant idea.

Nepal's Zone of Peace proposal is based on Nonalignment, non-aggression, peaceful settlement of disputes and economic and social development for the cause of peace and justice. In fact, it represents Nepal's age-old longing to be free from tensions, strife and hostilities.

It is a matter of great satisfaction that so far 107 nations, including four permanent members of the UN Security Council, have extended support to the Zone of Peace proposal. Our neighbouring country India also should have supported the ZOP proposal. As a country sworn to the idea of Afro-Asian unity and which is one of the main initiators of the Bandung principle, Nonalignment and SAARC, India should brew no objection to such a balanced foreign policy of Nepal.

It may be relevant here to take note of the fact that the first Prime Minister of India, Mr Jawaharlal Nehru, the architect of the foreign policy of India as well as one of the architects of the basic structure of Nonalignment, once said: "Nepal was an independent country when India was under British rule." Similarly, he expressed, "when we came into the picture, we assured Nepal that we would not only respect her independence but see, as far as we could, that she developed into a strong and progressive country."

In Nepal, people attach great importance to friendship with India. People of Nepal harbour feelings of deep respect and affection for the people of India. We believe that the stability, strength and progress of our neighbours contribute greatly to the stability, strength and progress of Nepal, too. It is also unforgettable that India has extended co-operation in the development efforts of Nepal and the people of Nepal appreciate this as India's genuine understanding of a neighbour's need for peace and development.

If there are problems between Nepal and India those will have to be solved through negotiations.

In the modern world, no state can avoid its involvement in the international sphere. This involvement must be systematic and based on certain well-defined principles.

As far as the question of foreign influence in Nepal is concerned, it may be enough to note here that she has for centuries been an independent sovereign state. She has never been conquered, no foreign power has ever occupied the country nor intervened in its affairs. Remarkable enough, she applied for membership to the United Nations entirely on her own initiative.

Regarding the arms procured by Nepal from China, they are purely defensive in nature. There is no reason for India or any country to feel apprehensive about it. Moreover, modernisation of a country's defence forces is a general practice.

As per the 1950 treaty, if arms come overland along the road link with the Tibetan region there is no reason for any prior notice to India in this regard.

The impression on anyone's part that the arms will enter India or will be used against her is sheer misconception.

India should recognize transit facilities as a right granted by international law to every land-locked country and hence should immediately work towards preparing an atmosphere suitable for separate transit and trade treaties. As India is Nepal's largest trading partner, the trade between the two countries should continue as early as possible. To prevent even the very essential goods from reaching a tiny land-locked country is to violate international law.

Nepal has already proposed talks between the foreign ministers of the two countries. India should respond positively to the Nepalese offer.

Cordial Atmosphere

The creation of a cordial atmosphere for dialogue is a must. For the attainment of such an atmosphere, the provisions of the old trade and transit treaties should be applied until new treaties are signed.

PAKISTAN

Leftists Said Searching for National Identity
46000151e Peshawar *THE FRONTIER POST*
in English 19 May 89 p 4

[Article by Mushahid Hussain: "Role of the Left"]

[Text] Well into the first 200 days of the new democratic order, some patterns are discernible in Pakistan's politics. One of these pertains to the role of the Left, which seems to be marginalised. At the same time, the Left is still in a process of groping with its national political identity. There are several factors for the further weakening of the Left and the absence of any substantive role in national politics. There is, first of all, an irony in the present positioning of the Left after the political change in Pakistan that followed the November elections. For years, the Left was in the vanguard of opposition to the martial law regime, which is constantly attacked for its pro-Americanism. While the elections resulted in the victory of the PPP [Pakistan People's Party], the democratic order that has emerged remains pro-American in outlook, orientation and policies. The Left has yet to resolve its dilemma of supporting the PPP as they cannot have anything to do with the IJI [Islamic Jamhoori Ittehad] since it upholds the "Zia legacy". But it cannot condone those policies of the PPP Government that may be politically pro-American. In effect, the first major problem of the Left relates to its role in the present stage of Pakistan's politics when the country has made the transition from a pro-American dictatorship.

The second problem for the Left is the electoral defeat that Left leaders and political parties suffered during the recent elections. Stalwarts of the Left lost badly in the polls, including Rasul Bux Palejo, Ghaus Bux Bizenjo, Jam Saqi, Sheikh Rashid and Wali Khan (although he managed to win a national seat while losing in the province). The absence of grassroots political support for

the Left further eroded its credibility and stature in national politics. Finally, the Left's role has suffered on account of the peculiar political scenario that emerged in Pakistan following the elections, namely, a PPP Government at the Centre and opposition governments in Punjab and Baluchistan. The fact is that the IJI has taken upon itself the mantle of an "anti-Establishment" posture.

Perhaps it was to come to grips with this problem, that the Progressive Wing of the Punjab PPP, led by Fakhar Zaman, organised the Pakistan Democratic Writers Convention (PDWC) in Lahore in the last week of March. The progressive and the democratic-minded intelligentsia can play an important role in the present situation by providing leads to the Left since it does not serve as part of either the Government or the power structure. The biggest problem for the Left as well as the progressive intelligentsia is that the national agenda on issues is being defined by the Right and all the issues and causes that were once espoused or even "monopolised" by the Left have been "hijacked" by the Right. The question of provincial autonomy and rights of the nationalities used to be a major concern of the Left. Now, the biggest exponent of provincial autonomy is none other than the Punjab Chief Minister and Head of IJI, Nawaz Sharif. Even Wali Khan recently remarked in a somewhat cynical fashion that "we support Nawaz Sharif when he speaks of provincial autonomy and Punjab is now saying what the smaller provinces of Pakistan were saying all along."

On foreign policy too, the initiative is with the Right. The most strident anti-imperialist rhetoric now emanates from IJI quarters, particularly the Jama'at-i-Islami. Even the somewhat meek Muslim Leaguers have been critical of the American involvement in Pakistan's politics, although this criticism is more to spite the government than out of conviction regarding the American influence. Two other foreign policy plants, namely, India and Afghanistan, are also being articulated very clearly by the IJI. On India, the IJI has taken a very hard line, alleging the PPP Government to be "soft" on India and even accusing it of a "sellout". On Afghanistan too, the IJI is aggressively pursuing the Zia line of backing the Mujahideen and calling for recognition of the Afghan interim government. The Left's problem in this regard is that it wants to delink its criticism of the Government's Afghan policy from support to the PPP.

These dilemmas of the Left in the present political situation in Pakistan underline its two basic historical failures. First, there is the failure to come to grips with religion as a political factor in a Muslim state and the second is the failure to evolve a line independent of external patrons on national and international politics. Take the case of Iran. The Left has always been reticent in granting political legitimacy to what is definitely one of the great revolutionary events of the present century. The reason for that is quite simple, because the Left has always believed that "religion is a reactionary force," since that is what Marxist dogma has taught them. For example, at the Democratic

Writers Convention in Lahore, a resolution was passed condemning Iran for "atrocities". Would the Left consider passing a resolution condemning the rulers of Easter Europe for committing grave crimes against their own people and institutionalising the process of historical distortions on basic issues? Or would it ever have sought to condemn the Soviet military intervention in Afghanistan? Herein lies a fundamental flaw in Left policies, which smack of double standards and dependence on a "political line" from outside.

On Iran, the Left is unable to understand that the "Maulvis can be anti-imperialist". Over the decades, the Left has justified every single action of the Soviet regime, even if it was morally or politically wrong and factually incorrect. In the old days, the pro-Beijing Left used to justify every action of China in the international sphere. It is on account of such policies that the credibility of the Left has been weakened and this weakness is now reflected on the ground as well with reflected on the ground as well with electoral and organisational weaknesses. "Progressivism" should not be taken to mean as being justification or defence of regimes who claim to be "progressive". Iran and Afghanistan apart, most of the Left in Pakistan has maintained a strange silence on the increasing militarisation of the Indian state and the brutal excesses committed by the Indian military machine against the Sikhs in East Punjab.

With the national political agenda being virtually defined by the Right, the Left, while continuing to strengthen and support the democratic process, should be in a position to provide alternative policy planks on vital national and foreign policy issues. Such policies need not correspond or be tailored to the needs of the Government, whose compulsions are of a different order. It is only by pursuing policies independent of governments in Pakistan or those outside, say, in Moscow, can the Left remain at least a credible factor in national politics.

Unemployment Said Rising

46000152a Islamabad THE MUSLIM in English
2 Jun 89 pp 1, 8

[Article by Tariq Butt]

[Text] Islamabad, June 1. Unemployment further increased during 1988-89 according to figures made available in the Economic Survey released on Thursday.

The unemployment rate has reached 3.13 percent, of the total labour force (2.6 percent rural and 4.6 percent urban). This shows an increase over the rate (3.05 percent) reported last year.

The total labour force is estimated at 30.87 million (22.54 million rural and 8.3 million urban). It was 29.93 million (21.86 million rural and 8.07 million urban) last year.

This implies that about 0.94 million new workers enter the labour force each year, 0.68 percent in rural and 0.26 million in the urban force.

This 3.13 percent figure relates to open unemployment. In fact, there is quite a significant number of employed persons who work for less than 35 hours and thus, are not fully employed and suffer from disguised unemployment.

As many as 3.19 million persons on 10.66 percent of employed persons are working less than 35 hours a week. If this proportion is also taken into account, the total unemployment rate including disguised unemployment works out to be about 13.5 percent.

Like many other developing countries, the employment structure in Pakistan is largely based on self-employment particularly in the rural areas. Of the total employed labour, about 1.82 percent were employers, 25.50 percent paid employees, 47.91 percent self-employed and 24.8 percent unpaid family helpers. The last two categories account for 72.7 percent of the employed labour.

As many as 64.67 percent of the total employed population is illiterate while 23.17 percent employed are educated below matriculation level, 9.34 percent employed are Matriculates or below degree level and only 2.64 percent employed persons are graduates or have a higher degree.

About half of the total unemployed (50.95 percent) are illiterate, while 29.56 percent are educated below Matric levels, 16.75 percent have Matric but below degree levels and only 2.63 percent are educated upto degree and post graduate level.

Agriculture in 1963-64 claimed 60.5 percent, however, its share declined to 49.2 percent last year but again increased to 51.2 percent this year. The share of the manufacturing sector remained more or less constant as it was 13.6 percent in 1963-64 but slightly declined to 12.7 percent in the current year.

The decline in the Agricultural share was made up by a considerable increase in construction, transport and trade sectors during this period as the share of construction which was 1.4 percent in 1963-64 increased to 6.4 percent this year. The trade sector share also increased from 7.6 percent in 1963-64 to 11.9 percent in the current year.

Unemployment has become an acute problem for the country. It is a cause of great concern to the government which attaches high priority to remedying it. Besides the new job opportunities which accompany general economic growth, the Government has launched many new programmes to create employment. Small scale industry is labour intensive and is being encouraged. Banks have been instructed to give preference in advancing credit to the new development projects which have high employment potentials.

The credit allocation for the Small Business Corporation has been enhanced for providing increased capital to small industries and self-employment for doctors, engineers and other technicians. The Youth Investment Promotion Society established in February 1987 has been made active and provided with adequate finances to encourage self-employment for youths.

This year a new programme, the People's Programme with an investment of Rs. 2 billion, has been started. It will create large job opportunities besides promoting general social and economic welfare at the local level. The government is formulating a comprehensive employment generation programme to tackle permanently the unemployment problem. Job prospects in foreign countries are also being explored.

Lack of Dedication to Science and Technology Attacked

46000145c Islamabad THE MUSLIM in English
25 May 89 p 4

[Article by Saquib Yusuf]

[Text] The Organisation of Islamic Conference Standing Committee on Scientific and Technological Cooperation or COMSTECH to give it its long short name, graced Islamabad last week to approve its budget for the two years 1989-90. Having come to the conclusion that the Ummah needs to increase interaction between its scientists, and that as far as science and technology are concerned the Muslim world lags far behind other creeds, the magnificent sum of U.S.\$3.7 million was collected as the adrenalin that will enable us to collect our baggy clothes and clutching our beards to put in that final burst and pip the Christians, Jews and Hindus at the finishing line.

Munificence

To put this sum into proper perspective, it must be realised that the Muslim world by investing so heavily in science is sacrificing two pedigree racehorses from tattersalls, or foregoing one eighth of a yacht, eschewing a moderate night at the tables, a present for a Royal Princess's wedding or even a fancy car.

The intentions of COMSTECH were given away right from the start when they chose to establish their secretariat in that hotbed of scientific activity that also passes for our capital. COMSTECH can, however, be assured that with our own science and technology effort having recently passed into the safekeeping of Mr Jahngir Badar, may it rest in peace, the progress that we shall undoubtedly be making in this direction as a result of the end of the last 11 years and of the dawn of democracy, the directives of the Prime Minister, etc., will be shared free of cost and in the customary blaze of publicity, with our Muslim brethren. As a consequence of our intended munificence in this regard, the generous provisions for developmental purposes, no less than a proud 89 percent

of U.S.\$3.7 million, could well end up as a surplus that would see the Ummah through the next two year period as well.

The rest of the biennial budget, an amount which COMSTECH justifiably congratulates itself on having restricted to 11 per cent of the grand total, is to be spent for non-developmental purposes, and in line with its stated emphasis on "institutional" building. Soon therefore, tourists flocking to Islamabad will be able to set their cameras in motion and to gape at the watchman's shanty that is to be built at the site of the COMSTECH Secretariat with what remains of the 11 percent after the local commissions have been extracted. "Here, when your grandchildren grow up," they will be heard saying to their own children in voices choked with emotion, "They will find the brains trust of the Islamic world."

In the two days that the keen scientists were able to spare away from their precious earth shattering experiments before rushing back to their laboratories where they had forgotten to turn off the bunsen burners that were working overtime under the coffee pots, *la creme de la creme* of the descendants of Ibn-e-Sina and Al-Khwarizmi were able to do much more than cough up the huge sums of money. They managed to insert the word "Islamic" before, between or after the name of every scientific organisation in the crescent countries, which task occupied them for quite a few minutes. Also they were able to identify the thrust areas on which the frightening amounts of money apportioned by them were to be lavished. As a result we shall be able to nod understandingly and identify as a Muslim scientist any person with his spectacles on his nose, curly white locks falling about his shoulders, spouting theorems and lemmas, and thrusting in the general direction of food and agriculture or energy, health or manpower development or even the development of resources.

The Tortoise

To prove that it is not just playing scientist, the youthful COMSTECH has been able in its short meeting, to point with becoming modesty at the long list of its heady scientific achievements. Not for COMSTECH the headlong plunge into oceanography, biotechnology, renewable energy resources or premature claims of fusion at room temperature. No, while well aware of these words, COMSTECH is prepared to play the tortoise to the non-Muslim hare. No indeed, COMSTECH is laying the firm foundations from which it intends to take off into the realms of scientific discovery. In the three years since it was founded, two whole, not one or one and a half, but two complete seminars have been held under its auspices. And not only that, but thanks to the wonders of laser printing and desktop publishing the proceedings of the first one have already hit the newsstands and the bestsellers lists. Not content to rest on its laurels, COMSTECH is about to stun the already reeling public with the proceedings of the second seminar held only five months ago. Now is this entirely fair, COMSTECH, we

ask you? Give us time to fully understand the theories and offerings of the first before confusing us with the second.

But where can all this technology be leading us to? Surely the third seminar on "New and emerging technologies in the Muslim world" to be held by the Islamic Academy of Sciences in Kuwait this year will not occupy the rejuvenated scientists for too many hours. Had the seminar been held in our own backyard, we could have kept the scientists amused with spontaneous Bhangras, or that pinnacle of our scientific achievements, the *son et lumiere* at the Shalimar Bagh in the company of no less a political scientist the Centre's favourite Chief Minister and with the scientific serving of purees and halwa, personally by the Minister of Science and Technology.

It is no secret that some of the most massive personal and public fortunes are to be found in the Islamic world and that some of the most profligate and conspicuous spenders in the world today are to be found not many miles away from the centre of the Islamic world. If the Muslim world can muster no more than these generous amounts for research, development and scientific practice, then we should give up the pretence of trying to compete with non-Muslims who are willing to invest for example U.S.\$5 billion on the Star Wars project and similar amounts on research into superconductors, and especially, let us stop dragging the name of Islam into weak, half-hearted and doomed efforts at scientific uplift. When our priorities are clearly in other directions why bother to even go through the motions?

Trafficking of Women Condemned

46000151b Peshawar THE FRONTIER POST
in English 30 May 89 p 4

[Article: "The Unfortunate Bangladeshi Girls"]

[Text] The tentacles of organised crime in Pakistan have been entwined with foreign elements for some years now. Almost everyone knows how our drug barons are linked with underworld hierarchy across the continents. But over the last three years, a number of gangs have surfaced in Karachi and Quetta involved in one specific crime: the exploitation of poor Bangladeshi girls and later turning them into prostitutes.

Women have been sinned against in South Asia for centuries. The present situation hardly affords any change for the better. If France needed one Simone de Beauvoir, a male-dominated society like ours would require, maybe, hundreds like her to spare the women of present iniquities. Just the other day, a report emanating from Quetta said a Bengali woman, Haleema, was rotting in a local jail for the last three years without any specific charges. She has been married at least 15 times to various men. Each bondage lasted some macabre five months. Her story is reflective of the bestial nature of a preponderant number of us. It is mind-boggling how she

was forced to change hands with such unearthly speed. Her part of the crime would seem to be confined to an innocent desire to look for a better future in a brotherly Muslim Pakistan. Here, a wolf-pack of sex maniacs bought her many times over against her consent.

The story of Haleema is not an isolated incident. In March this year, Karachi police did a fine job of nabbing a gang of eight hardy criminals and secured four Bangladeshi girls. The police swooped on them as they were enacting a sale deal of their human merchandise. A price tag of Rs 30,000 apiece was placed on the heads of four innocent-looking girls. Again in February, another girl from Bangladesh, Farzana, was reported in the press as having broken her criminal bondage with an elderly man. She tried to take her life by hanging herself. Though she failed to put an end to her nightmare of life, she attracted police attention, and hence her liberty to live yet another sombre phase of her existence.

The city of Karachi saw in recent years a number of Sri Lankan girls disembarking as 'ayas'. They too were deluded into believing the El Dorado, that Karachi never was in the first place. Then came a number of girls from the Philippines to meet still more sinister prospects. One wonders as to their predicament. What we are trying to stress is that the business involving girls is still very much on. We haven't heard of anyone being punished for this crime. Is it just because the victims are not our kith and kin? We would urge the prime minister to announce capital punishment for the criminals involved. She has to uphold the dignity of women as a matter of principle. Haleema and Farzana, along with others, must be repatriated to Bangladesh, if they so wish. We owe them a collective debt. Can we ever pay them enough?

Pushto as Medium of Instruction Criticized
46000151c Peshawar *THE FRONTIER POST*
in English 28 May 89 p 2

[Excerpt] D. I. Khan—A large procession was taken out here by Saraiki Student Union (Saraiki Shagird Sanji), which was led by Irfanullah Leghari.

The demonstrators paraded through the main bazaars of the city and raised slogans against the demand of ANP [Awami National Party] that Pushto be declared as medium of education in NWFP [North-West Frontier Province] and that the name of province be changed to Pakhtunkhwa. The processionists from Gomal University and all the affiliated colleges were carrying banners and placards against the discrimination meted out to the Southern districts of NWFP.

The student leaders speaking at the main chowks emphasised that non-Pushto speaking citizens were in majority in NWFP and in case Pushto was thrust upon them, it would create problems for the new generation.

The masses of non-Pushto speaking areas were already facing the step-motherly treatment in every field as majority of the development funds were spent in Peshawar and Mardan areas.

The student leaders demanded establishment of Saraiki Academy at Gomal University. D. I. Khan, for the promotion of Saraiki language like the Pushto Academy in Peshawar University.

Commentary Views Indo-Pak Military Balance
46000151a Peshawar *THE FRONTIER POST*
in English 28-29 May 89

[Two part article by Major General Javed Nasir: "Indo-Pak Military Balance"]

[Part I, 28 May 89, pp 4-5]

[Text] After the fall of East Pakistan, the Indian leadership triumphantly claimed in 1972 that Pakistan had been cut to size and the last hurdle to India's march to the unchallenged political hegemony in the region had thus been removed. Three years later India entered the nuclear club. Mr Krishnaswamy Subrahmanyam, dean of India's strategic thinkers and the leading Indian military thinker, analyst and trend setter, who had called East Pakistan situation in 1971 as the, "Chance of the century," had remarked after India had exploded the nuclear device:

"No big country like the USA, the USSR or China is loved by its neighbours though it may be feared, very often disliked and sometimes even respected. Very few in India would advocate this country exercising any hegemony over the rest of the sub continent but this country with its population, size, resources and industrial base will be dominant country of the region, just as U.S., USSR and China happen to be in their respective areas. When Mr Agha Shahi declares that Pakistan will not accept India's predominance, he is setting Pakistan on a course to resist harsh realities and here in lies the crux of the problem in regard to sub continent's security."

In recent years Mr Sabrahmanyam has been continuously imploring the Indian Government to get its rightful place in the world affairs through military build up:

"Only the military build up to the desired dimension can persuade the world to give India the rightful place it deserves in the international diplomacy. One out of every six human beings in the world is an Indian—yet this second most populous and the largest democracy in the world is not even a permanent member of the Security Council—That is a big omission."

This is the scarlet thread of the Indian philosophy, Indian Government's long term objective is, "to be recognised as a Super Power—to be given a permanent seat in the Security Council." However to India's utter

disillusionment, successive governments in the post 1971 Pakistan, have continued to deny India the regional status. The Indian leadership has belatedly recognised that mere size of the country and its population were not enough and unless the political status was backed by a credible military apparatus, it would never be able to achieve its long cherished goal of regional hegemony. Taking a lead from Organiski's saying, "Under conditions of preponderance the weaker state dare not attack while the stronger need not attack."

The Rajiv-Sunderji combination manifested two major changes related to the defence and the foreign policy that India is pursuing currently. The first is related to the foreign policy which has lately become more aggressive than India has ever followed. It is a cruel joke that a country which is repeatedly involved in the violation of human rights becomes the self-proclaimed champion of peace. Last year its helicopter pilots on flood relief mission in Bangladesh, refused to take instructions from Bangladesh authorities. It made air drops in Sri Lanka without approval of the Government of that country. The stage show—enacted by RAW in Maldives could convince only the most ignorant. The interception of its arms shipment to Fiji Islands by the Australians, the proposed canal linking Bhramaputra and Ganges across the Bangladesh territory against their will, the on going Nepal crisis, all indicate towards Indian posture of, "How dare you".

The pursuit of such an aggressive foreign policy by India has been made possible by the military might which is already over stretched at its seams, achieved through unprecedented and incredible increase in defence outlays which has made a mockery of even Organiski's theory. the precarious balance of 1:3 that Pakistan was maintaining till 1985, stands shattered. The increase in Indian defence outlays in 1986 alone was 150 percent of Pakistan's total defence outlay for that year. The differential today stands at 500 percent compared with 280 percent in 1985. And no wonder the latest issue of TIMES magazine carries cover article, "Super India—The Next Military Power." This should be an eye opener for everyone.

To conceal the real defence expenditure from the outside world as well as from its teeming hungry millions, a large portion of defence expenditure is shown under various other heads. The Indian Government since 1987 has started concealing the real defence expenditure. In the succeeding paras an analysis has been carried out of what the Indians have revealed in their news media, to bring to surface the threat and the danger that it harbours for those who do not toe their line or accept their hegemony. This is make our defence planners aware of the real threat so that appropriate and timely measures are undertaken.

The Concealed Allocations

The declared Indian defence budget for 1987-88 was Rs. 13438 crores. The actual expenditure exceeded Rs.

15800 crores. The revised budget for 1988-89 is Rs. 13200 crores but the actual expenditure is over Rs. 16900 crores. The major expenditure which has not been shown and deliberately concealed is given in the succeeding paras.

Sri Lankan venture: There is neither an indication nor any allocation made for extra expenditure on the maintenance of nearly 60-70 thousands troops in Sri Lanka on the following major activities:

a. Movement (including relief) by rail/road/air of the force of Sri Lanka which is likely to cost India a minimum of Rs. 10 crores per month.

b. Expenditure on transportation of rations, POL, vehicles and spares—Rs. 5 crores per month.

c. Air lift/helicopter sorties for operations, logistics, troops lifting, casualties evacuation, essential and urgent supplies—Rs. 40 crores per month.

d. Covert operations, VIP sorties and miscellaneous Rs. 10 crores per month.

e. Repair and maintenance of vehicles and equipment—Rs. 10 crores per month.

f. Keeping the navy afloat—Rs. 10 crores per month.

g. Expatriation allowances admissible to Indian defence personnel—Rs. 5 crores per month.

h. Miscellaneous—Rs. 10 crores per month for unforeseen situations.

The total comes close to Rs. 100 crores per month. (Some Indian analysts place, this expenditure at 150 crores per month). The yearly expenditure thus comes to over Rs. 1200 crores.

Ministry of Defence: The budget of approx. Rs. 253.08 crores has not been shown.

Pensions: India has stopped showing pensions as part of defence budget since 1987. In 1988-89 the pension bill will shoot up to Rs. 1597 crores.

Nuclear Development: An allocation of approx. Rs. 1141.33 crores annually is being made for nuclear development, rockets and satellites, surface to surface missile programme, etc.

Para military forces: Border Security Forces, and other para military organisations though funded out of budgets of Home and other Ministries, cost over Rs. 985.50 crores. Another Rs. 9 crores per month can be added as operating cost. The total yearly expenditure comes to over Rs. 100 crores.

BRO (Border Roads Organisation equivalent of our FWO)—has a budget of Rs. 500 crores paid out of Ministry of Shipping and Transport but this force of nearly 60000 will be available to support the regular army in the maintenance of Lines of Communication in the Communication Zone during emergency.

RAW [Research and Analysis Wing] and other intelligence agencies like ARC [Aviation Research Center], SSF [Special Security Force?], SFF [Special Frontier Force], SSB [Special Services Bureau] all involved in transfrontier intelligence get an allocation of approximate Rs. 500 crores every year.

Payments to Soviets for spares for all the three services—Rs. 500 crores every year.

Siachen: Despite belated realisation that Siachen was a military blunder, India in order to keep face is continuing with the adventure. apart from very heavy casualties that they continue to suffer in terms of men and material, particularly the very expensive helicopters which are being despatched abroad in batches for overhaul, it has had two of its divisions tied down because of quick relief. This is costing India Rs. 400-500 crores every year.

The total expenditure adds up to approximately Rs. 18000 crores which at current exchange rate is equal to approx. 12 billion US dollars or approximately 5 percent of Indian GNP [gross national product].

Payment of Defence Purchases: During the period 1979-89 the following major arms deals were struck by India for which payments will become due in most cases in 1990 and as such will have to be catered for in 1989-90 budget:

Army		
Bofors	Rs. 10,000 crores	(For 1600 guns including transfer of technology)
T-72s	Rs. 1,500 crores	
Total:	Rs. 11,500 crores	
Indian Air Force		
Mirages 200	Rs. 2,400 crores	(For 40 aircraft spares plus weapons for 10 years expiring in 1992)
Jaguars	Rs. 1,600 crores	(For aircrafts only)
	Rs. 800 crores	(Spares and weapons for 10 years)
MIG29	Rs. 6,000 crores	(Basic packages for 400 aircrafts)
MIG27	Rs. 2,000 crores	
Total:	Rs. 128,000 crores	

Author's Note:

The factual information used in this article has been extracted from Indian newspapers and other publications. The military comparison has been taken from, 1988-89 issue of the MILITARY BALANCE published by International Institute of Strategic Studies (IIS), London.

The analysis is based on my personal opinion not that of the Pakistan Government or the Army. Neither any official source has been consulted nor quoted.

[Part II, 29 May 89 p 4]

[Text] Mere numerical comparison may be quite misleading. If we have a closer look at the comparative military ORBATS—we would be struck by the ascendancy the Indian war machinery has over Pakistan. Their tanks are mostly T-72s, the latest that any army can boast of. The remainders are Vijayantas which are also of 1970 vintage. The acquisition of 1600 guns (155 Bofors) will make Indian Army the possessors of one of the best fire powers in the World. The Air Force inventory is also very impressive, MiG-23s, MiG-25s, MiG-27s, MiG-29s, are all front line aircraft from the Soviet Union. MiG-29 of which India has 400 on order, are the latest aircraft with performance claimed superior to F-16s. The Soviets have not released these even to Warsaw Pact countries. Jaguars and Mirage 2000 are the top of the list from the West. It is however, the Naval strength which makes the picture look rather disturbing. India has a blue water navy—with two aircraft carriers, the keel for the third one has already been laid, 14 submarines include nuclear Powered and 5 x Kilo and 4 x F class German submarines. India also has a transport and helicopter fleet of over 600 aircraft which provides it with an instant airlift capability of strategic dimensions. Its Navy has a one time capability of lifting and supporting a divisional sized amphibious force.

To contest the above Pakistan has out moded 1950 vintage T-59, and some M48A5 tanks, till we start getting T-69s which are also of late sixty technology and will be no match to the T-72s. The small number of F-16s that PAF [Pakistan Air Force] has, are the only first line aircraft. There is a maximum limit up to which quality of PAF pilots and weapon systems can compensate.

On the high seas—we do not have any offensive capability. We do not have even adequate air and naval infrastructure for effectively defending of our coast line. Our Navy has but a modest anti shipping and anti submarine capability. Our single naval port adds further to our vulnerability.

Over the years the Indian have mastered the art of manipulation of figures. Since they have seldom been challenged by any Pakistani analyst, the world at large believes what they write. Let us look at the jugglery that they do with these figures. The Indian accuse Pakistan of spending 6 percent of its GNP on defence and boast that they spend less than 4 percent of their GNP. Statistics-wise this is true but it is totally misleading as shown in

the graph. Pakistan has a GDP of 40 billion US\$ whereas India has a GDP of 235 billion US\$. 1 percent of Indian GNP is equivalent to 6 percent of Pak GNP. Therefore when Indians profess that they are spending only 4 percent of GNP—they are in actual fact spending 24 percent equivalent of Pak GNP. This is the relationship of the declared Indian defence budget with ours but in actual fact the Indians are spending close to 8 percent of their GNP which is equivalent to 50 percent of Pakistan's GNP. It may be incredible for the readers to learn that the actual defence budget of India is 250 percent more than the entire budget of Pakistan (Rs. 14554 crores Pak rupees taking US\$ equal to Rs. 20.00 of Pak and Rs. 15.00 of India as of date). Even if we take the declared defence budget which is 50 percent of the actual, it is still 125 percent of Pakistan's total budget. Yet so effective is the Indian propaganda that the west believes what India says and is willing to give aid for wheat, etc., to feed its starving millions. Indian very conveniently defrays that much amount from its budget on buying tanks, ships, aircraft and building atom bombs and ballistic missiles. No western donor country has ever asked India to reduce its defence expenditure or even questioned the justification of its military build up or analysed the most absurd argument put forward by the Indians that since it has thousands of kilometres of land and sea border to defend as such it has thousands of kilometres of land and sea border to defend as such it must have what it is maintaining in the military arsenal. On this logic, Canada should have larger military budget than USA and Israel should not spend even 1/100th of what it is doing. Military systems are evolved on the threat perceived by a country and the capabilities of the potential adversaries. It cannot be based on intentions. Capabilities take years to build but intentions can change over night. Therefore when India contracts to induct 400 MiG29 aircraft against an imaginary threat, as China the only country which can do so has been following 4 modernisations and has grossly reduced its defence budget and its armed forces, Pakistan is left with no choice but to increase its expenditure on defence to maintain the critical ratio for defence. Ironically, India starts hostile propaganda and lobbying against such minimal acquisitions by Pakistan. Merely professing to be the champions of peace, India cannot convince Pakistan when it looks at its own record of series of aggressions committed against Hyderabad, Kashmir, Junagarh, Goa, Bangladesh, Sri Lanka, Siachen, Maldives and Nepal. May be the next victim will be Pakistan, which would have become its prey in 1987—but for Allah's help and the deterioration of India's internal dynamics. India has been openly supporting and financing independent Sindh movement. The late Indian Prime Minister is on record to have stated in her address to the International moot that it held in Delhi on Sindhu Desh, that, "Sindh will one day become an independent state". Indian intelligence agency RAW is now contemplating trouble in Fiji, which has an overwhelming majority of ethnic Indians. Its ship carrying arms worth hundreds of millions was intercepted by the Australians. The next target may will be Burma and Mauritius. Its

long term plans include the Gulf states where India already has the largest labour force and the strongest business community to acquire control over the oil fields. The region as a whole needs to take stock of the alarming situation. India is following a policy of destabilising every country in the region and then moving in as the saviour with its armed forces. Both super powers have been acquiescing in the past. They will do so even when Pakistan becomes India's next victim.

Options Open to Pakistan

Pakistan therefore is up against a threat of immense magnitude. The military differential has enlarged to an extent that it can no longer follow the policy of deterrence which stands completely compromised. It leaves very little choice with Pakistan. We will have to either accept Indian hegemony like Bangladesh, Sri Lanka, Maldives, Nepal and Bhutan or take the honourable course of maintaining our independent status as a nation and preserve our national pride and dignity. The democratic government is in a better position to take the defence needs seriously and must help build the defence capability. At this point in history it has fallen to the lot of Prime Minister Ms Benazir Bhutto to provide the necessary leadership to tide over these difficult times. The very limited resources that Pakistan has, dictate that a delicate balance be struck between the economic development and defence needs. Remaining within the confines of the resource constraints, the Army has been trying to induct, state of the art anti tank and anti air, relatively cheaper weapon systems, adding bare essential heavy armaments, which have been upgraded with latest fire control instruments, laser range finders and night vision devices rather than replaced with newer ones which cost large amounts of money. To add credibility to the conventional deterrence and develop a counter to the Indian ambitious missile programme, the Government had reactivated and launched number of indigenous production programmes including missile programmes. It was this farsightedness and the exceptional dedication and devotion on the part of all concerned that we were able to develop Hataf I and II, Qazeeb, Anza and host of other weapon systems this year. The indigenous defence industry is at the take off stage and must receive the Prime Minister's whole hearted patronage.

Recommendations

[Word omitted] is the surest and the greatest force multiplier. The guarantor for success for soldiers with [word omitted] is Allah Himself. To train our men as professionals and in practical aspect of [word omitted] particularly establishment of Namaz should receive the highest priority. [sentence as published]

By reducing non developmental expenditure, the minimal defence needs must be met. The defence allocations must receive substantial increase if a semblance of deterrence is to be retained and we wish to follow an honourable policy and live as a dignified nation.

Defence production (indigenous) must receive full government support.

Army must be completely disengaged from internal security duties. Instead second line forces be trained and equipped to perform these tasks.

PAF stands neutralised by the sheer number and the quality of PAF. Government must employ all influence to get the minimal PAF requirements of additional F-16s.

The Navy must receive major share of capital outlays to enhance its anti submarine, anti shipping and offensive capability.

The Western world must be made aware of the true picture of Indian military build up, its consequences and the fall out. It must use the leverage of its aid, if other countries in the region are to be saved from Indian attempts to destabilise them.

Editorial Welcomes Indo-Pak Accord

46000144a Karachi DAWN in English 27 May 89 p 7

[Text] The agreement between Pakistan and India on combatting smuggling, drug trafficking and terrorism should help reduce illegal activity on their common border. Not only that, it should serve to remove some major irritants in their relations characterised as they have been by misunderstanding, mutual suspicion and distrust. The rules agreed to by the two countries' Home Secretaries are fairly comprehensive. They go into the details of such issues as border patrolling, exchange of relevant information, repatriation of fugitives, maintenance of boundary pillars, and periodic meetings of border security officials. Profiting perhaps from past experiences the two sides have agreed to undertake "simultaneous coordinated patrolling" and hold joint briefings. The agreement requires the border officials to meet next month to address "modalities and implementation" of the agreed provisions. Smuggling across the Indo-Pakistan border seems to have received the two sides' due attention, and both have sought the cooperation of Interpol with a view to "ensuring more expeditious action in this area." Of late, the nature of cross-border smuggling has acquired new dimensions. Previously confined to such traditional items as foodgrains, livestock and cloth, smuggling now includes narcotic drugs, especially heroin. Manufactured mostly in Afghanistan and Pakistan's Tribal Area, heroin is said to flow in considerable quantity to India for onward smuggling to Western Europe and North America. Recently, the war on drugs has acquired a new punch and the present Government has spoken of a resolve to crack down on the drug mafia in Pakistan and to stamp out the production and smuggling of heroin and other drugs. In this drive, India's cooperation is crucial because that country, besides being a large drug market itself, serves as a conduit for smuggling of heroin and other drugs to other countries. As members of SAARC (South Asian Association for

Regional Cooperation), too, the two countries are pledged to combat the spreading drug menace nationally, bilaterally and also on a regional level. The Home Secretaries "reviewed the escalating drug trafficking situation" and "emphasised the resolute commitment of the two governments to wage a total war on drug trafficking and smuggling." Of significance here is the decision to harmonise the two countries' laws on drugs. Together with tougher prevention and control measures, a harmonisation of laws on drugs should help discourage traffickers.

Details of the provisions released to the Press are curiously short on terrorism. The word "terrorism" appears only once in the beginning. This seems rather strange, because both New Delhi and Islamabad have been trading charges on this score. While the Indian Government and media have openly, and sometimes in a chorus, accused Pakistan of helping the Sikh terrorists, Pakistan has been a little reticent. Nevertheless, there have been allegations in Pakistan of India aiding and abetting terrorism in Sindh and encouraging ethnic violence. The issue of "illicit border crossings" is, of course, complicated. Not everyone who crosses the border illegally is a smuggler or a terrorist; there are many Bangladeshi, Sri Lankan and Burmese nationals who travel through India to cross into Pakistan as illegal entrants. But this is essentially a one-way traffic. The Home Secretaries may well have been hamstrung on this issue by the lack of an understanding between the two Foreign Offices on the sensitive question of terrorism.

The accord must, nevertheless, be welcomed. Coming some five months after the signing of an agreement on avoiding attacks on each other's nuclear installations, the latest agreement must be taken as an indication of the two governments' resolve to continue to work for the normalisation of bilateral relations. Much, of course, remains to be done. There is this ill-betoken irritant of Siachen, which continues to cause tension and strain—to say nothing of the 40-year-old dispute on Kashmir which has lately been very much in the news. India's military adventure in Siachen and its intransigent stance on Jammu and Kashmir continue to cast shadows on the relations between the two countries. Yet, agreements like the one concluded on Wednesday are encouraging, especially if they are meant to carry forward the long stalled normalisation process and create a climate of peace and goodwill in which other more important issues can be taken up for a just settlement.

Commentary Urges Caution on Privatization

46000144c Karachi DAWN in English
27 May 89 (Supplement) p VI

[Commentary by Nasim A. Jafarey: "Is Privatisation a Feasible Proposition in Pakistan?"]

[Text] Every decade produces its favourite slogan or catchword in the sphere of economic management, and the favourite catchword of the eighties, for better or for

worse, is 'privatisation.' Britain is the country which has given this word greatest currency and made it a popular concept to be discussed and debated all over the world.

There is no denying that Britain has achieved a certain amount of success in solving some of its problems by implementing this idea, but does that necessarily mean that privatisation can be considered to be a panacea for the economic ills of all countries, specially Third World countries like Pakistan.

Since it is a new term, privatisation can connote different things to different people. It would therefore be appropriate to indicate in precise terms the sense in which this word is being used for the purposes of this discussion. Privatisation is the act or process of transferring the ownership and management of a commercial organization which till now has for historical or other reasons, been under Government control to a company owned by private shareholders.

Favourable View

The obvious motivation for such a transfer of the ownership and management of a commercial organization from Government's control to the private sector, is the widely held belief that commercial organizations can be managed more efficiently by a Board of Directors chosen by private shareholders than by the nominees of a Government.

The second major argument in favour of privatisation is the fear of 'big Government' and the ardent belief that the smaller a Government the better it is for everyone. It is also considered that if the Government confined its operations to a few essential sectors like defence, law and order and infrastructure etc. it would be able to fulfil these responsibilities more efficiently than if it took upon itself the responsibility of managing all sorts of other activities including commercial activities.

Lastly privatisation can provide a one-time accretion of large funds to the Government. That there is a certain amount of weight and validity in all these considerations can not be denied.

Without questioning the validity of the above mentioned universal considerations, this discussion has to focus on the actual situation prevailing in Pakistan today, and how far in the presence of these conditions would it be in the national interest to advocate privatisation as a solution of some of our economic problems.

Let us start with the most important plank of the case for privatisation. How far is it true that in Pakistan the private sector commercial organizations are more efficient than public sector commercial organizations and if this is so why is it so?

It might be as well to make it clear at the very outset that when we talk of the private sector in Pakistan we mean

only the Pakistani private companies and do not include in it the multi-national companies which are part of the private sector but are an entirely different kettle of fish. This obviously so because no advocate of privatisation in Pakistan would seriously suggest that a public sector organization like the Post Office, be handed over to I.C.I. [Industrial Credit & Investment Corporation] for better management. Once we have cleared the deck of this ambiguity what evidence do we have to support the contention that Pakistani private sector companies as a class are more efficient than public sector companies?

There is no denying that there are several efficient and successful Pakistani private sector companies such as Packages & Asbestos Cement, to mention only two companies, (which have won the Corporate Excellence Award Certificates also), but there are also several efficiently run public sector commercial organizations like Millat Tractors and Pakistan Cement Corporation. The fact remains that the bulk of Pakistani private sector companies are as poorly managed as the large majority of public sector organizations. What then is the basis for the optimistic presumption that a mismanaged government organization in Pakistan would immediately on its transfer to the private sector become efficient?

Optimism

Perhaps this optimism is based on the hope that after its transfer, the Government organization will not continue to suffer from the major defects and drawbacks from which most public sector organizations in Pakistan clearly suffer. To put it very briefly these defects are improper selection of the Chief Executives of public sector organizations on the basis of favouritism or other considerations but not on merit and fitness for the job, and absence of a sufficiently long fixed tenure for them.

Added to this there is a complete absence of any definition of the objectives of public enterprises in Pakistan and gross interference in the day to day administration of public enterprises by the Government in various forms from Ministers down to Section Officers.

One will be quite justified in predicting that on the privatisation of a public sector commercial organization all these defects and drawbacks will automatically be removed and that should add considerably to the efficiency and successful operation of the commercial organization.

While freedom from the above mentioned defects and drawbacks should be a major gain resulting from privatisation, we have to look at the other side of the picture also, namely the defects which, on the basis of present indications, may follow or result from privatisation. Absence of business morality, primarily in the form of large scale tax evasion, is the first major defect that may come about, and in a resource-starved country like Pakistan this can be a major consideration in taking a decision on the issue of privatisation.

Record

Apart from this, the record of Pakistani private sector companies in dealing with their clients and customers, their employees and shareholders, is by and large not perceptibly better than the record of public sector companies. All these defects are largely due to the fact that most private sector enterprises in Pakistan have a deep aversion to employing professional managers who can rectify these defects and place their companies on a sound footing. In fact they are quite happy with their old family style of management and double book keeping systems, which yield a satisfactory harvest year after year.

In addition to all the above arguments against privatisation in Pakistan there is the attitude of the employees and workers of Government organizations which may be candidates for privatisation. In fact if the attitude of employees of nationalized industries, who were after all private sector employees some time ago, is an indication, the employees of governmental commercial organizations like the Post Office who have been government employees all their lives, are likely to put up a very stiff resistance to all schemes of privatisation.

Things being as they are it will not be easy to introduce privatisation in Pakistan today. And even if any such scheme is forced through what will be the real gain to the nation. The possibility of more efficient management and freedom from day to day interference by Government which privatisation will bring about, leading to higher profitability, can easily be dissipated by poor business morality and employee discontent and labour unrest. The pros and cons of privatisation will therefore have to be weighed very carefully before any scheme of privatisation is launched in Pakistan.

A final thought about privatisation. If the experiment of privatisation is ever going to succeed in Pakistan it will require exceptionally alert and sound professional managers to run it. Such managers are now available in Pakistan but to keep them happy and satisfied, a group of professionally competent and forward looking directors will be needed. And this requirement can perhaps only be fulfilled by a joint venture sort of set-up in which 30 percent to 49 percent of the equity should be held by foreign entrepreneurs. This appears to be the only way of making a success of privatisation in Pakistan for the time being.

Editorial Sees Poor Economic Indicators

46000152b Islamabad THE MUSLIM in English
4 Jun 89 p 4

[Editorial: "A Dismal Economic Picture"]

[Text] Many indicators mark out the current financial year as a bad one economically. That is partly the outcome of natural calamities like floods and man-made disasters like ethnic conflict which paralysed industries in the south, serious infra-structural constraints and the political uncertainties of the first five months of this financial year.

Despite all that, the current year will register an economic growth of 5.1 percent that is far below the target of 6.9 percent and last year's growth rate of 6.2 percent. This growth rate has been achieved primarily because wheat production, which had fallen substantially during the preceding two years, rose this year to 14.4 million tons from 12 million and 12.67 million tons during the preceding two years. Yet wheat output is still below the expected 15 million tons, while cotton production has fallen this year by about four lakh bales.

It is in the large scale manufacturing sector that disaster has really struck as growth hit a record low of 1.2 percent compared to the target of 8.1 percent and last year's accomplishment of 10.6. Major industries producing cotton textiles, vegetable ghee, cigarettes and billets showed negative growth. Overall industrial growth however will be 3.1 percent because of the small scale sector's growth of 8.4 percent. Growth in large scale manufacturing was retarded by ethnic riots, fiscal uncertainties following the protest of businessmen against the budget of Dr Mahbubul Haq, inadequate availability of raw materials and shortage of water and power.

It is noteworthy that growth in the industrial sector is equal to the population growth rate which is now risen to 107 million. If industrial expansion is so poor or nominal, employment facilities will expand very slowly and so will government revenues which depend excessively on industrial operations. This should set the government thinking, to devise ways of strengthening the industrial base and get more out of installed industrial capacity. Factors retarding their growth and maximum output have to be removed instead of old bottlenecks being replaced with new bottlenecks or irritants.

In a period in which the nation needs larger investment to accelerate economic growth and provide more employment, investment this year will be only 11.3 percent over last year against the target of 14.6 percent, which is modest. Adjusting for inflation, real growth in investment is only 3.1 percent—just the same as population growth. This underscores our investment stagnation. The major reason for poor investment in public sector is because of severe budgetary constraints and changes in investment priorities following the advent of the democratic government. Even if the rate of investment is 17.6 percent of GNP, as was last year, 28 percent of that came through external sources as against 24 percent last year, highlighting our increasing dependence on borrowed funds for investment. This is so because national savings at 12.3 percent and domestic savings at 10.3 percent continue to be very low in a country marked for its population explosion and soaring public expectations.

Pakistan's external position continues to be vulnerable. The current account balance of payments deficit has soared to a record 1,982 million dollars, excessively overshooting the target of 1.25 billion dollars. That happened as exports are only 4.44 billion dollars compared to the target of 5.04 billion dollars, while imports

at 7.2 billion dollars are marginally below the target. Overseas workers' remittances too have fallen to 1.88 billion dollars from its peak of 3.1 billion dollars. If, despite all that, the foreign exchange position will improve to 575 million dollars or the equivalent of 3.8 weeks of imports it is because of the borrowings from the IMF in return for agreement to implement its harsh conditionalities.

Inflation on an annual basis for the year ending in March shows a 10.7 percent rise compared to 5.8 percent last year. Although consumers will not accept this low figure, the fact remains that it is nearly double that of last year. Prices have shot up much higher following talk of a "touch budget". The inflation figure for the year ending June 31 will be far higher. This has happened in spite of the tight monetary policy, determined efforts to reduce deficit financing and other marginal anti-inflationary measures. Low industrial production, steady devaluation of the rupee, heavy import and excise duties and sales tax, and ethnic riots have ended to push up prices, which may receive another spur by the budget.

The saddest chapter of the economic survey is where it shows that a mere 2.7 percent of GNP [gross national product] is being spent on education and 0.92 percent on public health in a country of 107 million. It is a recurrent annual elegy, with very little done thereafter. The PPP [Pakistan People's Party] government promises a breakthrough on both fronts. It must do that, and quickly to make our human resources healthy, more productive and an enlightened asset to the nation aspiring better times.

Editorial Calls for Provisional Ombudsmen

46000151d Peshawar *THE FRONTIER POST*
in English 27 May 89 p 4

[Editorial: "A Case for Provincial Ombudsmen"]

[Text] The Pakistani bureaucracy has now grown into a soulless gargantua. Complaints against injustice of all kinds at the hands of bureaucracy could pile up to Himalayan heights. Yet, one does not see a way out of the misery of the commonman. The bureaucrats have become still arrogant and impervious. There is no

redress available against the excesses that one only finds in the 'bureauekingdom of Pakistan'. Against this background, the recent Wafaqi Mohtasib's report comes as sharp reminder of the near-impossible battle that this organisation has been waging for the hapless citizen against the brown sahibs.

The federal Ombudsman has been doing a fine job for the past few years even though it is pitched against heavy odds. Its jurisdiction does not extend to four provinces of the country where the citizen-bureaucracy contact is at its closest. The limited jurisdiction of the ombudsman has resulted in this bureaucratic part remaining immune to investigation and relief. Maladministration remains at its acutest at the lower tiers of the bureaucracy. A plethora of irregularities has surfaced here because of political leverage and lack of accountability. An investigative authority, like the provincial ombudsman, is what is desperately needed today. Naturally, one should expect a tough opposition from the over-reaching bureaucracy in this regard. But with the onset of democracy in the country, such an opposition could not be as big an obstacle as it seemed during the last one decade.

As soon as the federal Ombudsman resumed his function, there was an avalanche of complaints reaching his office. A preponderant part of these, of course, fell outside his jurisdiction, indicating thereby the ignorance of average people as to which subject is federal or provincial. But the fact remains that this multitude of complaints reflects the sheer frustration and helplessness of most of our countrymen. It is a truism that the scope of public welfare could not be expanded in the absence of a provincial ombudsman. We have got to have this institution if we are ever to enlarge the sectors of administrative accountability. The federal Ombudsman says it is imperative since depriving a substantial part of the population of a modern popular tool for rectifying the wrongs of administration amounts to an invidious disparity.

The provinces could make a beginning by appointing an ombudsman for selected sectors like education and health. We are sure that the democratic government would make a move in this direction now. This is great a manner of letter of the pent up emotions, and winning goodwill for free.

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